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NATIONAL FOOD Situation

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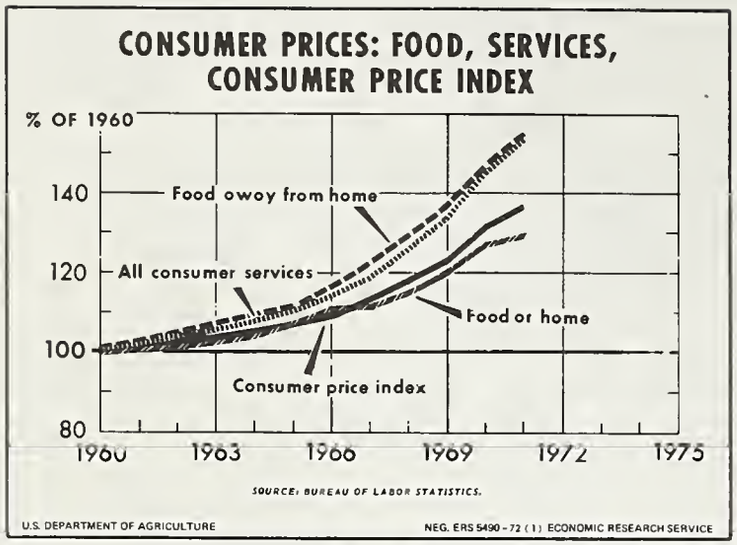


Figure 1

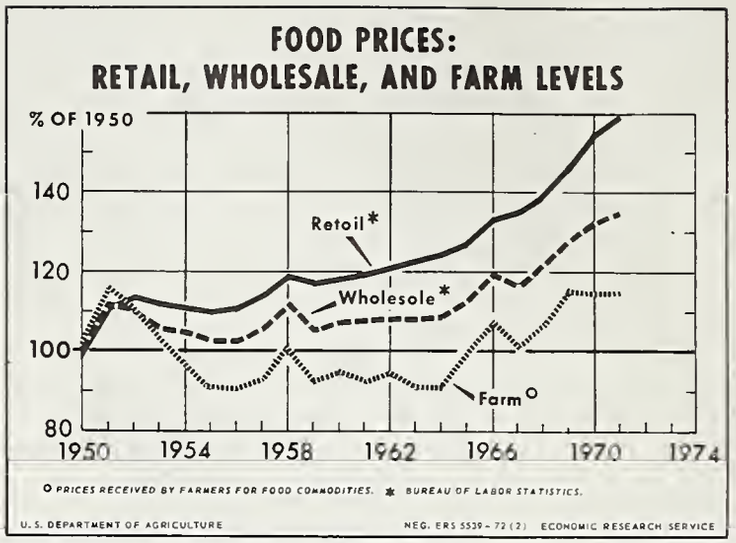
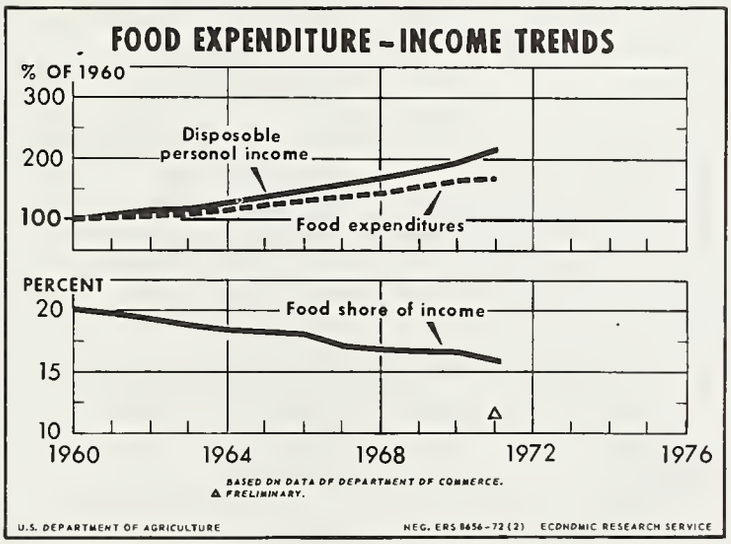


Figure 2



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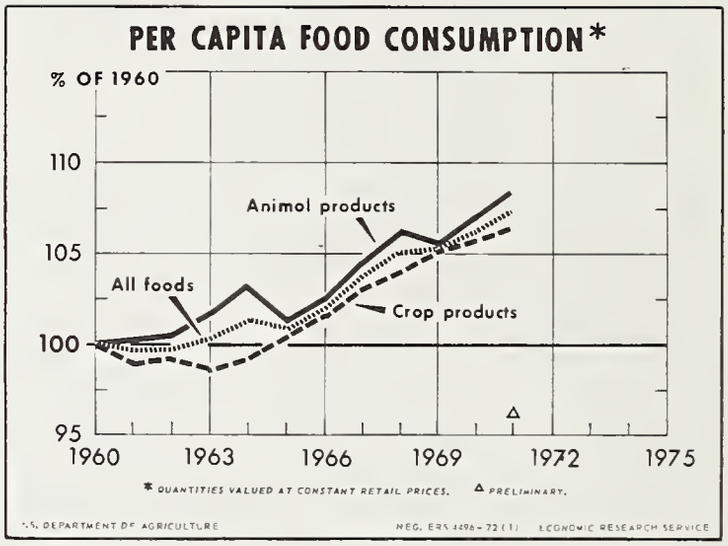

Figure 4

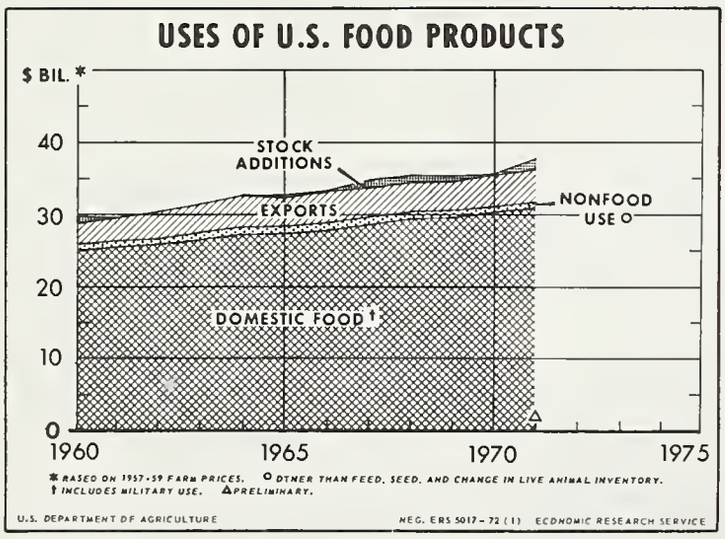

Figure 5

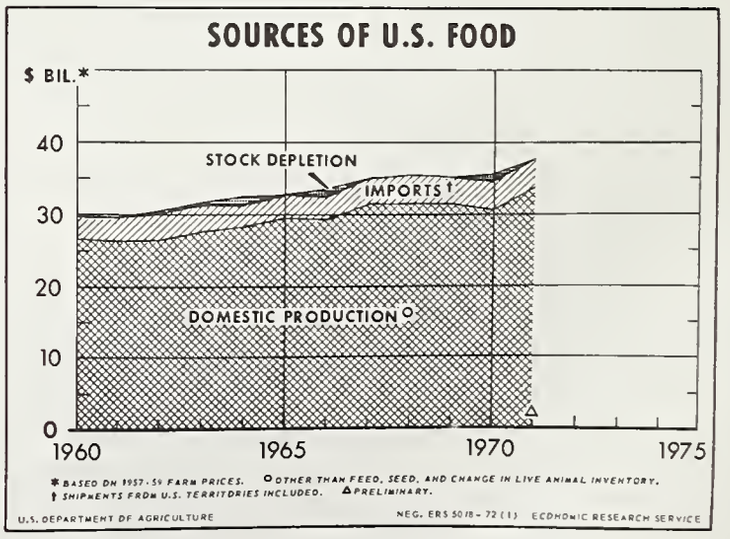

Figure 6

NATIONAL FOOD SITUATION

CONTENTS

	Page
Summary	3
Food Prices	4
Food Spending and Income	7
Per Capita Food Consumption	10
Sugar and Tropical Products - Situation and Outlook	15
Food Supply and Utilization	21
Special Articles Appearing in the NFS During 1967-71	27
List of Tables and Charts	28

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Approved by
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SUMMARY

Food prices in 1972 may average 4½ percent higher than in 1971, up from the 3 percent increase last year. Continued large gains in disposable income and a leveling of food supplies will contribute most to the increase.

Prices of food at home likely will rise close to 4 percent compared with the 2½ percent boost in 1971.

At the beginning of this year the food price index was about 4½ percent above a year earlier, but in the next few months, the year-to-year increase may narrow if supplies of some livestock products increase, as expected.

Farmers' prices of livestock products used for food are expected to show moderate increases compared to little change last year. Hog and beef cattle prices are now well above year-earlier levels. Hog supplies will run lower and prices will be above year earlier levels. Beef supplies probably will expand at a faster rate later this year and prices could ease some. However, strong demand will hold prices at a relatively high level. Egg prices likely will rise from last year's low levels, and broiler prices may average higher.

Crop food prices may rise at a slower pace than last year if weather and market conditions prompt normal supplies. Some vegetables were in short supply during early winter, but fruit supplies are somewhat larger than last year.

The 2½ percent boost in food at home prices in 1971 was led by a 10 percent increase for fish and a 9 percent rise for fats and oils. Other large increases occurred for fruits and vegetables, both fresh and processed, and for beef. The only significant declines were 14 percent for eggs, 9 percent for pork, and 3½ percent for potatoes.

Retail food prices in the second half of 1971 were restrained by the new economic program. From the start of 1971 through August, food at home prices had risen more than 4 percent. By November prices had fallen nearly 1 percent from the August peak, due to seasonal declines for some products and no increases for many processed items. Prices climbed more than 1 percent in December. Phase II, now in operation, allows more flexibility in prices. This will permit prices to rise again but at slower rates than last year. Most of the increases will come from the pass-through of increases in farm prices.

Per capita consumption of food advanced to a new high last year, posting another 1-percent gain. Meat and processed fruit consumption contributed most of the increase, but consumption of poultry, eggs, cereal products, potatoes, and vegetable oils also increased.

The 6-year rise in per capita food consumption may be halted in 1972, but the total may still be close to the record last year. Meat consumption will likely edge lower as an increase for beef is more than offset by lower consumption for other red meats. Poultry consumption will be higher. Per capita consumption of foods from crops is expected to equal last year's total.

Personal expenditures for food totaled $118.4 billion in 1971, 4 percent more than in 1970. Smaller price increases accounted for much of the slowdown from the 7½ percent rise between 1969 and 1970. There also was a small decline in the proportion of food eaten away from home.

Food expenditures this year could increase to around $125 billion, as higher food prices and increased population overcome the leveling in per capita food consumption. Also, sales in eating places may be recovering from last year's sluggish pace. The rise in food expenditures will fall far short of the nearly 8 percent surge in disposable income. As a result the share of income going for food will decline from last year's 16 percent.

Total net utilization of farm food commodities increased 1 percent in 1971 compared with a 3 percent increase in 1970. All of the advance last year came from the 2½ percent gain for livestock commodities. Civilian food use jumped nearly 3 percent, while military use declined. Export volume was down almost 7 percent.

Supplies of food commodities swelled last year as production increased 11 percent and imports went up 4 percent. These were partly offset by a decline in stocks on hand at the beginning of 1971.

Utilization this year may increase again, but perhaps less than in 1971. A projected advance for crop foods reflects in part the large stocks available as the new year got underway. Although livestock product use will rise again, the increase will be substantially less than in 1971. Production of crop foods may be less this year, but could still be larger than estimated utilization. If these production and use prospects materialize, there will be another substantial increase in food commodity stocks by the end of the year.

FOOD PRICES

Food Prices in Late 1971

The all food price index dropped about 0.2 percent from the third to fourth quarter 1971, in contrast to nonfood items which rose almost 1 percent between summer and fall (table 1). Prices of food away from home advanced almost 1 percent in the last quarter but food-at-home prices fell about 0.4 percent. Food prices in the fourth quarter still averaged 3.6 percent higher than a year ago due largely to advances earlier in the year. The fourth quarter decline was less than seasonal so that after seasonal adjustment, prices rose almost one percent.

Changes in retail food prices from year earlier

Item	Annual 1971 average	Fourth quarter, 1971
	Percent	*Percent*
Meat	-0.8	2.9
Poultry	.6	2.8
Fish	10.3	8.2
Dairy products	3.1	2.3
Eggs	-13.7	-9.0
Fats and oils	9.3	7.5
Fruits and vegetables	5.0	8.5
Sugar and sweets	3.6	2.4
Cereal and bakery products	4.6	2.5
Beverages	3.6	-.7
Other preparations	3.0	2.3
Total food at home	2.4	3.4
Food away from home	5.2	4.7
All food	3.0	3.6

Meat prices normally decline from summer to fall but in 1971 rose fractionally as pork production fell below a year earlier. Hog producers had cut production because of depressed hog prices and higher feed costs which prevailed in late 1970 and during much of 1971. Fish prices continued the upward momentum of the past several years, while poultry meat prices were down 4 percent from the third to the fourth quarter. Egg prices were higher but still noticeably below the 1970 level because of larger supplies and sluggish demand. (fig. 7).

RETAIL PRICES OF SELECTED LIVESTOCK PRODUCTS

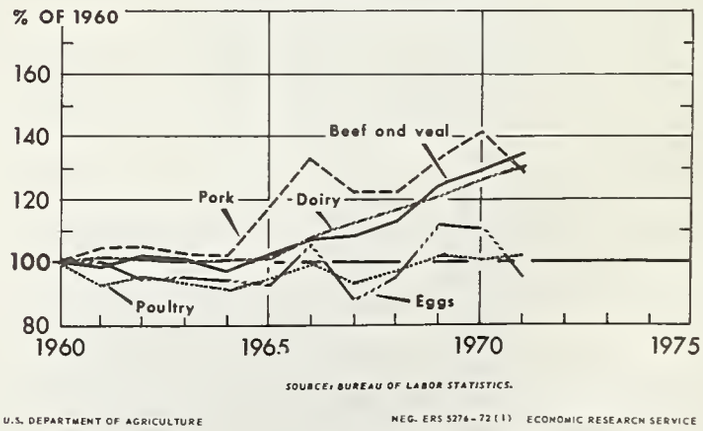

Figure 7

Fats and oils prices continued firm, while prices of fresh fruits and vegetables fell less than seasonally. Potato prices spiraled downward under pressure of large stocks from the 1970 crop and another large crop in 1971 (fig. 8).

Table 1.--Consumer, wholesale, and farm price indexes, 1970-71
(1967=100)

Item	1970	1971					Percent change 1970-71
		I	II	III	IV	Year	
							Pct.
Retail prices: 1/							
All goods & services (CPI)	116.3	119.5	120.8	122.0	122.7	121.3	4.3
All items less food	116.7	120.4	121.6	122.7	123.7	122.1	4.6
All food	114.9	116.1	118.4	119.6	119.4	118.4	3.0
Food at home	113.7	114.1	116.6	117.7	117.2	116.4	2.4
Food away from home	119.9	123.9	125.3	127.1	128.2	126.1	5.2
Wholesale prices: 1/							
All commodities	110.4	112.5	113.8	114.7	114.8	113.9	3.2
Industrial commodities	110.0	112.5	113.6	114.9	115.1	114.0	3.6
Farm products	111.0	111.9	114.3	112.4	112.8	112.8	1.6
Processed food	113.2	113.7	115.4	116.9	116.6	115.6	2.1
All food 2/	113.5	113.9	115.9	115.8	116.6	115.5	1.8
Prices received by farmers 3/							
Crops	100	105	111	108	108	108	8.0
Livestock and products	118	114	114	116	119	116	-1.7
Average	110	110	112	112	114	112	1.8
Market basket of U.S. farm foods: 4/							
Retail cost	113.2	112.7	115.2	116.7	116.0	115.1	1.7
Farm-retail spread	113.0	113.4	116.5	117.7	116.3	116.0	2.7
Farm value	113.6	111.5	113.1	115.1	115.5	113.8	.2

1/ Department of Labor, Bureau of Labor Statistics.

2/ All food includes all process foods plus eggs and fresh and dried fruits and vegetables from the farm products group.

3/ Statistical Reporting Service.

4/ Economic Research Service.

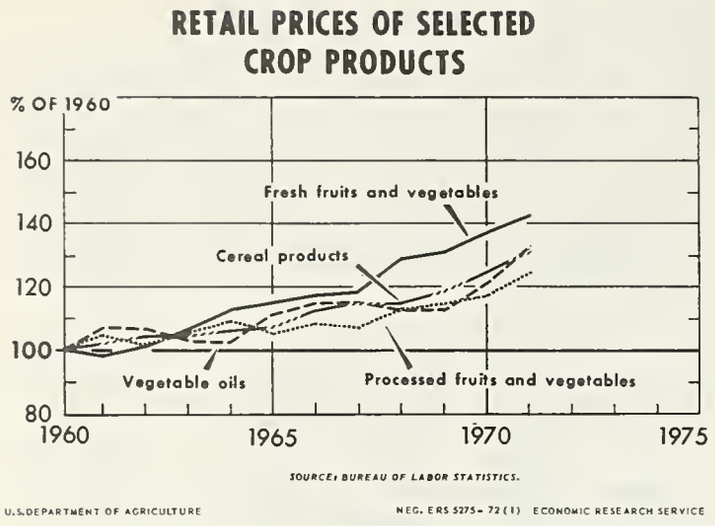

Figure 8

Food-at-home prices were restrained by price controls and farm-retail spreads narrowed. Farm prices were exempt from direct controls and advanced in the late fall and early winter.

Price Rise Smallest Since 1967

Food prices in 1971 rose 3 percent, markedly less than the 5½ percent increase of 1970 and the smallest advance since 1967. The increase also trailed that for nonfood items, which averaged 4½ percent higher than in 1970 (figure 1, inside front cover).

Food-at-home prices, usually a more meaningful measure of food price developments for the housewife, rose less than 2½ percent. The food away from home component, which often parallels price movements for services, advanced well over 5 percent. However this increase was less than 1970's 7½ percent.

Farm prices of food commodities averaged 0.2 percent more than in 1970 (figure 2). The farm-retail spread rose 2.5 percent in contrast to the 7½ percent jump in 1970.

Wholesale Prices

Wholesale food prices rose 1.8 percent in 1971 for the smallest increase since 1967 (fig. 2). The advance was about half the increase for industrial commodities.

Prices of food rose sharply in the second quarter, and then edged lower in the third quarter. Wholesale food prices were held down by the Phase I program, but shot up in December. As a result, the fourth quarter prices increased contraseasonally.

Major advances for the year were in beef and veal, fresh fruits and vegetables, and fish. Pork and egg prices fell drastically.

The Wage-Price Freeze and Food Prices

Price developments during 1971 became a focal point of the economy when price controls were imposed. It appears that Phase I restrained the inflationary spiral which prevailed during the first part of the year. Without the curbing influence of Phase I, food prices likely would have averaged significantly higher in 1971. However, the effectiveness of Phase I was enhanced by seasonal factors. Controls were implemented when most food prices were at seasonal highs, and Phase I ended when food prices were seasonally low and poised for the usual upward thrust at the end of the year. This timing was especially important with respect to exempt raw food items, which account for 14 percent of the food at home component, and to items selling below effective ceilings of May 1970 (mainly pork), which account for another 10 percent. These two groups had the potential of increasing the food index significantly in spite of price controls, but seasonal weaknesses held these prices in check through mid-November.

Food at home prices, which had risen over 4 percent during the first 8 months of 1971, came to a halt with the imposition of the wage-price freeze. The advance to mid-year could easily have been greater had not heavy supplies of pork held down meat and poultry prices. Still, up to the time of the freeze, beef and veal prices had advanced over 5 percent after seasonal adjustment, and fish prices rose 6 percent. Fats and oils, sugar and sweets, and dairy products experienced hefty increases during January-August; fruits and vegetables were 8 percent above a year earlier. Only nonalcoholic beverages, eggs, and pork seemed to be holding down the food price level in the early going. During this period, sizable increases were taking place in the farm-retail spread and in the farm value.

After imposition of Phase I, prices of several food products declined because of seasonally large supplies. Most other prices edged up or were unchanged. The food-at-home index in November was fractionally lower than in August, but when adjusted for seasonal variation, prices were up slightly, largely because of a 0.9 percent increase in November. Prices of food away from home continued upward, but at a slower pace than in the pre-Phase I period.

In December, when the more relaxed Phase II controls had gone into effect, food prices in grocery stores shot up almost 1 percent after seasonal adjustment. Although the increase was partly due to lower pork production and shorter supplies of fruits and vegetables, the market also seemed to be readjusting the imbalances between retail prices and cost of raw materials during Phase I.

Outlook for 1972

Food prices for 1972 will probably rise at a brisker pace than last year. The economy likely will be moving ahead at an accelerated rate and with disposable income up significantly, demand should be strong. Also, a leveling of per capita food supplies and residual cost pressures in the economy point towards a 4 percent increase in food-at-home prices in 1972. With advances in food-away-from-home prices continuing at about the same rate as last year, an increase of 4½ percent seems likely for all food.

While prices of foods from crops rose much more rapidly than foods from livestock in 1971, a reversal seems in order for 1972. Pork prices are now running slightly above a year ago, and the gap may widen considerably as producers curtail output in the coming months. Beef and veal prices, in the face of strong demand and only moderately larger supplies, will continue strong, perhaps with some easing later in the year. However, the increase may match the 4½ percent rise in 1971. Prices of veal and lamb have been rising as consumption has dropped. Further rises are likely for these meats in 1972. Broiler supplies may average above last year's level, but prices will inch up slightly partly in response to higher pork prices. Fish prices will continue to rise as demand continues strong and supplies are short. Egg prices will probably recover from the depressed levels of 1971, but will still be significantly below those of 1970. Retail dairy prices probably will rise less after the first quarter, if there is no change in the dairy price support which must be announced in April.

Prices of food products derived from crops will remain firm, but will rise at a much slower pace than last year. The strong export demand for fats and oils which caused prices to skyrocket through mid 1971 may moderate this year. Fresh vegetable prices may ease some from present levels, but will continue high. Due to smaller lettuce and celery crops, winter vegetable production is smaller than a year ago. Potato prices show little change as heavy stocks of the fall crop depress the market. Grower price in the Western states are higher this season. January on-tree prices of oranges and grapefruit were running well above the same period a year ago as consumer demand remains strong. This gap likely will narrow later but prices are expected to remain higher than last season. Apple prices continue above a year ago despite moderately larger stocks. Processed fruits and vegetables seem adequate to meet trade needs but prices will likely remain firm to strong.

FOOD SPENDING AND INCOME

Food Expenditures

Total food expenditures increased just under 4 percent last year, the smallest increase in 4 years. The slower rise in retail food prices, brought about by larger supplies of food and the wage price freeze, partly offset the pull of strong demand (fig. 3). Food expenditures which were unchanged in the first quarter of 1971, showed large gains in the second quarter, then increased at a more moderate pace in the third and fourth quarters. For the year expenditures totaled $118.4 billion (table 2).

Consumer spending for food at home increased less than 4 percent, well below 1970's record increase of 7½ percent. Food expenditures away from home also rose about 4½ percent.

Prices had a major impact upon the level of fourth quarter spending. The volume of food, measured by expenditures in constant dollars, accounted for about half of the total quarterly increase in food-at-home expenditures', prices accounted for the rest. Price rises accounted for a fourth of the quarterly rise for food away from home. Expenditures in constant prices for food away from home had been decreasing until the fourth quarter turnaround.

Changes in food expenditures, 1971

Item	Fourth quarter 1971		Annual increase
	From third quarter 1971	From fourth quarter 1970	
	Percent	*Percent*	*Percent*
Total food			
Current dollars	0.9	3.2	3.8
1958 dollars	.5	-.1	1.1
Food at home			
Current dollars	.4	2.7	3.7
1958 dollars	.2	-.2	1.5
Food away from home			
Current dollars	2.6	5.0	4.4
1958 dollars	1.8	.3	-.7

Total Expenditures

Personal consumption expenditures for all goods and services increased 7½ percent in 1971. Durable goods purchases jumped 13 percent due primarily to higher auto sales, but accounted for only 25 percent of the total. Nondurables accounted for 30 percent and services accounted for around 45 percent of the total increase in personal expenditures.

Consumption expenditures and retail sales: Changes from previous quarter, 1971

(seasonally adjusted)

Item	II	III	IV[1]	Annual increase
	Percent	*Percent*	*Percent*	*Percent*
Total personal consumption expenditures	1.9	1.7	1.3	7.5
Durables	2.6	3.7	.4	13.3
Nondurables	1.7	.9	1.3	5.3
Food	1.4	.8	.9	3.8
Other	1.9	.9	1.7	6.4
Services	2.0	1.9	1.7	7.8
Retail Sales	2.5	2.6	1.8	8.7
Food group	1.4	.3	-.1	3.5
Grocery stores	1.5	.6	-.2	3.7

[1] Preliminary.

The quarterly rates of increase in consumer spending decreased steadily throughout the year. From a strong 3.2 percent increase in the first quarter, the rate slid to 1.3 percent in the fourth quarter.

Table 2.--Expenditures for food in relation to disposable income, 1960 and 1965-71 1/

Year	Disposable personal income	Personal consumption expenditures for food 2/					
		For use at home 3/		Away from home 4/		Total	
		Amount	Percentage of income	Amount	Percentage of income	Amount	Percentage of income
	Bil. dol.	Bil. dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.
1960	350.0	56.8	16.2	13.3	3.8	70.1	20.0
1965	473.2	69.3	14.6	16.5	3.5	85.8	18.1
1966	511.9	73.8	14.4	18.2	3.6	92.0	18.0
1967	546.3	74.5	13.6	19.4	3.6	93.9	17.2
1968	591.0	79.0	13.4	20.7	3.5	99.7	16.9
1969	634.2	84.2	13.3	21.9	3.4	106.1	16.7
1970	687.8	90.6	13.2	23.4	3.4	114.0	16.6
I	667.6	89.0	13.3	22.8	3.4	111.8	16.7
II	685.7	90.2	13.2	23.4	3.4	113.6	16.6
III	696.2	90.8	13.0	23.5	3.4	114.3	16.4
IV	701.5	92.5	13.2	23.9	3.4	116.4	16.6
1971	741.2	94.0	12.7	24.4	3.3	118.4	16.0
I	722.0	92.5	12.8	24.0	3.3	116.5	16.1
II	739.6	93.9	12.7	24.2	3.3	118.1	16.0
III	748.5	94.6	12.6	24.4	3.3	119.0	15.9
IV 5/	754.8	95.0	12.6	25.1	3.3	120.0	15.9

1/ Quarterly data are seasonally adjusted annual rates. 2/ Derived from data of Department of Commerce, Survey of Current Business and The National Income and Product Accounts of the United States, 1929-65, assuming one-fourth of purchased meals and beverages is alcoholic beverages and the balance of reported alcoholic beverages is for off-premise use (consistent with 1963 Census of Business Merchandise Line Sales). Omits alcoholic beverages, food donated by Government agencies to schools and needy persons, and non-personal spending for food such as business purchases of meals, food furnished inmates of hospitals and institutions, and food included with transportation tickets and camp fees. 3/ Includes food consumed on farms where produced. 4/ Includes food served to the military and employees of hospitals, prisons, and food service establishments. 5/ Preliminary.

Personal income increased about 6½ percent in 1971, but tax and nontax payments were nearly the same, so disposable income rose nearly 8 percent.

Personal income and savings: Changes from previous quarter, 1971

(Seasonally adjusted annual rate)

Item	I	II	III	IV
	Billion dollars	*Billion dollars*	*Billion dollars*	*Billion dollars*
Personal income	16.8	19.9	11.2	12.0
Personal tax and nontax payments	-3.6	2.2	2.2	5.8
Disposable personal income	20.5	17.6	8.9	6.3
Personal saving	.1	5.0	-2.6	-2.6

The rate of increase in disposable income fell in successive quarters throughout the year. Total personal expenditures moved more slowly, but nevertheless the personal saving rate dropped off sharply in the third and fourth quarters.

Outlook

Disposable income may rise nearly 8 percent again in 1972 as the economy continues its recovery. The strengthening in demand along with a somewhat smaller increase in food supplies this year will probably boost food expenditures slightly more than in 1971. For all of 1972 they may total $125 billion. That increase would still be far short of the rise in income, so the share of the Nation's income spent for food will decline from the 16 percent in 1971 (fig. 3).

Food Programs

Participation levels and dollar values for the Food Stamp and Food Distribution programs increased again in 1971, but less rapidly than in the previous year. Participation in the Food Stamp Program during October and November was nearly 10 percent higher than a year earlier and almost 3 times what it was in 1969 (table 3).

The total value of Food Stamps distributed during the first 6 months of 1971 was more than double the value in the first half of 1970. For the year the increase was about 60 percent, as the gain over a year earlier eased in the second half of 1971. Participation in the

Table 3.--USDA family food programs: Participation and value by months, 1970 and 1971

Month	Participation		Total value		
	Food stamps	Commodities	Food stamps		Commodities 1/
			Total issued	Bonus stamps	
	Mil.	Mil.	Mil. dol.	Mil. dol.	Mil. dol.
1970					
July	6.9	3.8	164.8	98.1	22.8
August	7.2	3.9	171.2	100.2	23.0
September	8.1	3.5	198.3	116.7	21.2
October	8.9	3.6	208.0	120.8	21.8
November	9.5	3.6	225.4	126.9	25.1
December	9.5	3.7	231.7	129.7	25.8
1971					
January	9.8	3.8	233.0	130.8	26.4
February	10.2	3.9	245.1	136.7	26.7
March	10.6	3.9	256.6	142.3	27.1
April	10.6	3.9	252.1	139.9	25.6
May	10.5	3.7	251.4	137.8	26.0
June	10.6	3.6	254.6	139.5	25.8
July	10.6	3.5	253.7	140.1	25.2
August	10.6	3.5	255.0	142.5	25.0
September 2/	10.6	3.5	255.4	141.1	23.8
October 2/	10.5	3.5	254.6	140.8	23.6
November 2/	10.9	3.5	264.1	154.5	24.0
December 2/	11.2	3.6	270.9	156.5	24.3

1/ Cost to the Federal Government. 2/ Preliminary.

needy family part of the Food Distribution Program has remained stable at 3½ million monthly participants since June of last year, and averaged about the same for the year. Food distribution to schools has been running at a higher level than a year earlier, so the total cost of food for the Food Distribution Program was 4½ percent above 1970.

The Federal cost of food distributed to schools, institutions and needy families, together with the total value of bonus food stamps issued, amounted to 2.6 percent of total personal consumption expenditures for food during 1971. Bonus food stamps alone accounted for about 1½ percent.

During July 1971, USDA announced revised regulations for the Food Stamp Program. These regulations are to be implemented in 1972 to carry out provisions in the law (Public Law 91-671). Included in these regulations was the establishment of uniform national income and resource eligibility standards. These national standards set a maximum income of $360 a month for a family of four to qualify for the program. Several States had welfare standards below this level. States with previous income eligibility standards in excess of $360 will be able to maintain them.

The total allotment of stamps was raised from $106 to $108 per month for a family of four. Purchase requirements also were revised. For households with little or no income, there is no purchase requirement. For example a four person household with less than $30 monthly income receives its total allotment of stamps free.

PER CAPITA FOOD CONSUMPTION

Per capita food consumption advanced 1 percent to a new high last year (table 4). This was the sixth consecutive increase and boosted the index to a level more than 6 percent above 1965. These increases amount to the longest and sharpest rise in food consumption since World War II (fig. 4).

Meat and processed fruit consumption contributed most of the 1971 increase, but there were gains also for poultry, cereal products, potatoes, eggs, and vegetable oils. Somewhat offsetting were small declines in consumption of fresh vegetables, melons, animal fats, fish, and beverages. Per capita consumption of animal products gained 1.6 percent while food from crops rose half a percent.

Livestock Products

Through the third quarter, consumption of livestock products maintained a 2 percent advance over 1970 levels led by 4 to 5 percent gains for meat (fig. 9, table 5). Fourth quarter meat consumption declined contraseasonally and was 1 percent below a year earlier. Consumption of poultry was up 3 percent and consumption of all livestock products again reached the record level attained in late 1970.

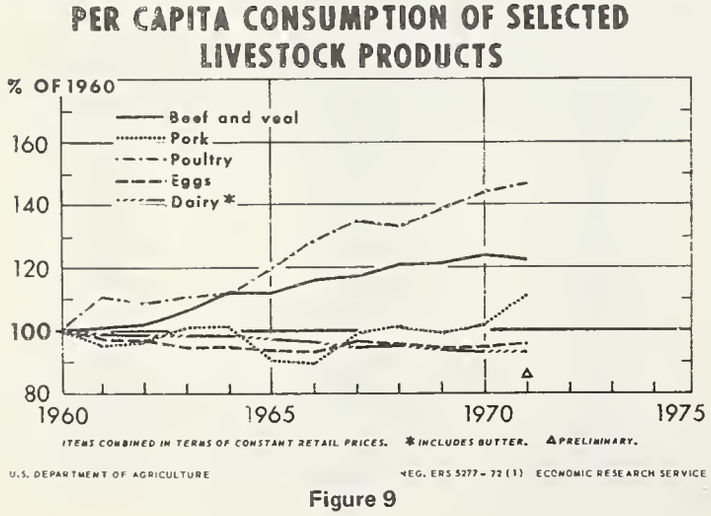

Figure 9

The small advance in consumption of total livestock products in the fourth quarter was far short of the usual 2.3 percent seasonal increase, reflecting a less than seasonal increase in pork supplies. Consequently, seasonally adjusted consumption of meat declined 2 percent. Poultry declined 3 percent and eggs were off 1 percent.

Per capita food consumption indexes, seasonally adjusted

Period		Total livestock	Meat
		1967=100	
1970	I	101.2	101.3
	II	101.0	102.9
	III	102.8	104.7
	IV	103.7	107.9
1971	I	103.7	105.9
	II	103.3	108.2
	III	105.0	108.9
	IV	103.7	106.4

Outlook

This year per capita food consumption may stay close to 1971's record level. Slightly lower red meat consumption likely will be partly offset by an increase in chicken. No major change is foreseen in consumption of any of the foods from crops.

Poultry consumption rates are expected to exceed 1971 levels in each quarter throughout 1972. However, there may be somewhat lower per capita consumption levels for all other categories of food from livestock, especially in the last half of the year. In the first half, meat supplies may average slightly above those in the first half of 1971. But in the second half consumption is expected to be lower.

Meat.—Red meat consumption in 1972 likely will average near the 190 pounds consumed per person in

Table 4.--Per capita food consumption index, 1960-71 1/
(1967=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy products 2/	Fats and oils			Fruits 3/		
						Animal 2/	Vegetable	Total	Fresh	Processed	Total
1960	92	75	95	104	106	123	81	96	111	95	103
1961	92	82	99	101	104	125	78	95	107	92	99
1962	93	81	98	101	105	123	81	96	102	96	99
1963	96	82	99	98	104	119	85	97	93	88	90
1964	98	84	97	98	104	116	90	99	98	85	91
1965	94	89	101	97	103	111	92	99	100	90	95
1966	96	96	100	97	102	99	102	101	100	90	95
1967	100	100	100	100	100	100	100	100	100	100	100
1968	103	99	102	99	101	103	104	103	98	97	97
1969	102	103	102	98	100	95	110	105	98	102	100
1970	104	108	105	99	99	91	116	107	101	102	101
1971 4/	107	109	103	100	99	89	117	107	101	106	104

	Vegetables 5/			Potatoes and sweetpotatoes		Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food		
	Fresh	Processed	Total	Fresh	Processed				Animal products	Crops 6/	Total
1960	107	84	99	129	56	103	98	100	95.7	97.1	96.4
1961	104	85	98	127	59	102	98	102	95.8	96.4	96.0
1962	102	89	97	121	64	101	99	102	96.2	96.5	96.3
1963	101	89	97	124	69	100	99	105	97.3	95.9	96.6
1964	100	91	97	113	76	101	99	102	98.8	96.4	97.6
1965	100	95	98	105	86	101	99	99	96.9	97.6	97.2
1966	98	97	98	106	98	99	100	99	98.1	98.6	98.3
1967	100	100	100	100	100	100	100	100	100.0	100.0	100.0
1968	99	104	100	101	106	101	103	100	101.5	101.1	101.2
1969	99	104	101	94	118	101	104	97	101.2	102.0	101.5
1970	99	104	101	92	121	98	106	94	102.3	102.8	102.5
1971 4/	98	104	100	89	125	100	106	93	103.9	103.3	103.6

1/ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. Data for earlier years are given in the 1970 Supplement to Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, November 1971. 2/ Includes butter. 3/ Excludes melons and baby food. 4/ Preliminary. 5/ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes. 6/ Includes melons, dry beans and peas, nuts, soup, and baby food in addition to groups shown separately.

Table 5.--Livestock products: Per capita consumption indexes, quarterly, 1969-71 1/
(1967=100)

Year and quarter		Meat	Poultry	Eggs	Dairy products		Animal fats	Total livestock products 2/
					Excluding butter	Including butter	including butter	
1969	I	102.9	85.2	99.4	98.2	98.7	100.7	99.3
	II	99.5	97.3	97.0	102.8	102.2	88.1	99.7
	III	102.7	106.9	96.9	100.6	100.1	95.6	101.9
	IV	103.7	123.5	99.1	99.2	99.2	95.2	103.8
1970	I	101.5	91.8	99.0	98.6	98.7	99.4	99.4
	II	100.8	102.1	96.7	100.3	99.4	83.7	99.9
	III	104.8	113.0	97.6	100.1	99.7	86.1	103.1
	IV	109.7	123.5	101.1	97.7	97.8	95.8	106.4
1971 3/	I	106.1	93.6	100.0	98.8	98.9	94.9	101.8
	II	106.0	101.7	98.5	99.2	98.4	81.1	102.2
	III	109.0	114.7	98.7	99.6	98.7	86.8	105.3
	IV	108.2	127.1	101.2	99.0	99.0	91.9	106.4

1/ Civilian consumption only. Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combined in terms of average 1957-59 retail prices. Data since 1955 are in the 1970 Supplement to Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, November 1971. 2/ Excludes fish and honey. 3/ Preliminary.

1971 (table 6). A brisk step-up in beef consumption this year likely will counter reduced consumption of pork and the continued declines for veal and lamb and mutton. Last year, beef, lamb and mutton consumption edged lower and veal was off sharply. Per capita pork consumption was sharply higher especially in the first half of the year.

Beef consumption in 1971 averaged about 113 pounds per person, nearly the same as the year before. Production was up about 1 percent, but smaller imports of beef, due largely to the dock strikes, offset part of the gain. As a result, total supplies failed to keep pace with the expanding population. Growth in 1971 beef output was slowed as high feed prices, brought about by the small 1970 corn crop, curbed cattle feeding operations somewhat.

In the last half of 1971 feed costs were lower and cattlemen began filling their lots, so beef output will be up moderately in 1972. On January 1, there were 8 percent more cattle on feed, indicating beef production will rise moderately above year earlier-levels in late winter and then continue higher the rest of the year. Imports are also expected to be up this year, helping boost beef consumption by 4 to 5 pounds per person.

Veal consumption has been trending lower for several years and a further reduction is likely in 1972. Consumption averaged only 2.7 pounds per person last year, down from 2.9 pounds in 1970. A similar cut is likely in 1972 as the dairy herd continues to dwindle, resulting in a smaller number of dairy calves available for slaughter.

Pork consumption was up nearly 6 pounds per person in 1971, reaching nearly 73 pounds and the highest level since 1946. However, hog producers are reducing output after a difficult year of high feed prices and low market prices for hogs. Pork consumption may be off 4 to 5 pounds per person in 1972 but this would still exceed any other year since 1959.

Consumption of lamb and mutton declined a little in 1971, to 3.2 pounds per person. Production was about the same, but imports were down. This year, lamb and mutton consumption likely will drift lower again because production is expected to be off moderately. The Nation's sheep flock is shrinking and the 1972 lamb crop will be smaller.

Poultry and eggs.—Chicken meat supplies last year increased slightly to the largest volume on record. Consumption was 41.6 pounds per person, 0.2 pound more than in 1970. It is expected to increase more strongly in 1972, helping to fill the gap left by receding pork supplies.

Per capita consumption of turkey meat this year may be about the same as last year when consumption was near the 1967 record of 8.6 pounds. January 1 cold

Table 6.--Civilian per capita consumption of major food commodities (primary distribution weight) and civilian population, average 1957-59, annual 1967-71 1/

Commodity	Average 1957-59	1967	1968	1969	1970	1971	1971 as percentage of 1970
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Percent
Meats (carcass weight)	156.6	178.3	183.2	182.5	186.3	192.0	103
Beef	82.1	106.5	109.7	110.8	113.7	113.3	100
Veal	7.1	3.8	3.6	3.3	2.9	2.7	93
Lamb and mutton	4.4	3.9	3.7	3.4	3.3	3.2	97
Pork (excluding lard)	63.0	64.1	66.2	65.0	66.4	72.8	110
Fish (edible weight)	10.5	10.9	11.0	11.1	11.4	11.2	98
Poultry products:							
Eggs (farm basis)--Number	356	324	321	318	320	323	101
Chicken (ready-to-cook)	27.5	37.2	37.5	39.1	41.4	41.6	100
Turkey (ready-to-cook)	6.0	8.6	7.9	8.3	8.1	8.6	106
Dairy products:							
Cheese	7.9	10.1	10.6	11.0	11.5	12.2	106
Condensed and evaporated milk	14.8	9.0	8.9	7.9	7.1	6.8	96
Fluid milk and cream (milk equivalent)	337	285	280	272	264	258	98
Ice cream (product weight)	18.4	17.8	18.4	18.0	17.7	17.7	100
Fats and Oils--Total, fat content	45.3	49.4	51.2	51.9	53.3	53.2	100
Butter (actual weight)	8.2	5.5	5.7	5.4	5.3	5.0	94
Margarine (actual weight)	8.9	10.5	10.8	10.8	11.0	11.1	101
Lard	9.3	5.4	5.6	5.1	4.7	4.4	94
Shortening	11.4	15.9	16.3	17.1	17.3	17.0	98
Other edible fats and oils	10.8	15.1	16.0	16.8	18.2	18.6	102
Fruits:							
Fresh	95.5	80.9	78.3	79.0	81.0	81.0	100
Citrus	34.0	31.6	26.3	28.3	28.6	29.2	102
Apples (commercial)	21.0	16.2	15.7	15.1	18.1	16.8	93
Other (excluding melons)	40.5	33.1	36.3	35.6	34.3	35.0	102
Processed:							
Canned fruit	22.4	22.6	21.9	24.0	22.5	22.4	100
Canned juice	13.5	11.7	12.2	14.6	13.8	14.9	108
Frozen (including juices)	8.6	10.1	9.4	9.3	9.8	10.4	106
Dried	3.3	2.8	2.8	2.7	2.7	2.9	107
Vegetables:							
Fresh 2/	104.1	98.1	98.7	98.9	98.9	97.3	98
Canned, excluding potatoes and sweetpotatoes	43.3	48.9	50.5	51.3	50.9	51.3	101
Frozen, excluding potatoes	6.6	9.0	9.6	9.1	9.7	9.1	94
Potatoes, fresh equivalent	106.9	111.5	115.8	117.5	118.4	120.9	102
Sweetpotatoes, fresh equivalent	8.3	5.8	5.7	5.8	5.7	5.1	89
Grains:							
Cornmeal and flour	7.4	7.2	7.4	7.4	7.4	7.4	100
Corn sirup	9.4	14.1	14.8	15.4	16.0	16.6	104
Corn sugar	3.6	4.6	4.7	4.9	4.9	5.0	102
Wheat flour 3/	120	112	112	112	110	111	101
Wheat cereals	2.8	2.9	2.9	2.9	2.9	2.9	100
Rice, milled	5.4	7.5	7.9	8.3	6.7	7.6	113
Other:							
Coffee (green beans) 4/	15.7	14.8	14.9	14.2	13.8	13.6	99
Tea	.58	.69	.73	.73	.72	.75	104
Cocoa beans	3.5	4.2	4.3	3.9	3.9	3.9	100
Peanuts (shelled)	4.6	5.7	5.8	5.9	5.9	5.9	100
Dry edible beans	7.7	6.9	6.3	6.8	5.9	6.0	102
Melons	25.1	22.4	22.4	23.1	23.3	21.7	93
Sugar (refined)	96.1	97.3	100.1	100.1	102.5	102.0	100
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Percent
Civilian population 5/	171.5	195.2	197.0	199.1	201.6	204.2	101

1/ Quantity in pounds, except for eggs. Data on calendar year basis except for dried fruits, which are on pack-year basis, fresh citrus fruits and peanuts on a crop-year basis, and rice on August 1 year. Fresh citrus year begins in previous October and rice year begins in previous August.

2/ Commercial production for sale as fresh produce.

3/ Includes white, whole wheat, and semolina flour.

4/ In NFS-138, per capita coffee consumption was inadvertently revised. The estimates in this table agree with those published earlier. 5/ July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

storage stocks of turkey were up slightly. Turkey meat production likely will be up if producers follow through on plans to raise 1 percent more turkeys in 1972.

Egg consumption averaged around 323 per person in 1971, the most since 1967. Though per capita egg supplies throughout 1972 likely may remain below 1971 levels, they will be large relative to recent years. Output was up around 4 percent in early 1971 but the year-to-year increment narrowed to about 1 percent by the end of the year.

Dairy.—In 1971, total commercial supplies of milk and dairy products were about 1 percent above a year earlier but per capita consumption of dairy products declined again. There was a significant rise in dairy exports, mainly butter, and imports were smaller which kept stocks from increasing. Farm marketings of milk likely will continue above a year earlier in early 1972, and dairy product supplies will further exceed commercial utilization.

Domestic per capita civilian consumption of milk in all uses totaled about 557 pounds in 1971, 1 percent below 1970; a similar decline is likely in 1972. Supplies finished the year 1 percent higher than a year ago.

Preliminary data for 1971 indicate that Federal food programs for schools (including special milk), institutions, and needy families accounted for 7½ percent of dairy products consumed by civilians.

Fats and oils.—During calendar 1972 per capita consumption of food fats and oils probably will average around 53 pounds, approximately the same as in 1971. Slight increases in margarine, shortening, and cooking and salad oils may counterbalance reduced butter and lard consumption.

Total lard supplies will be less this year as a result of smaller hog slaughter. Use is expected to be down in all categories—direct use, shortening, and margarine. Exports also may decline again. Lard production was up about 3 percent last year, but direct consumption and exports declined. More was used in shortening and margarine.

Last year's strong demand for edible vegetable oils may ease some this year. Production will be less, due to reduced soybean supplies for the 1971/72 marketing year, but exports also will likely be curtailed, thus raising the supply available for domestic use.

Fruit.—Per capita consumption of all fruit increased more than 2 percent in 1971 (Fig. 10). Fresh fruit consumption remained unchanged, with gains for grapes, pears, and citrus fruit offset by a drop in fresh apple use.

Consumption of fruit in processed forms increased 4 percent during 1971. Canned juice consumption, led by increases for apple and concentrated citrus juices, rose 8 percent to the highest level in 20 years. This advance, combined with continued record use of frozen and chilled citrus juices, added up to a new high for fruit juice.

A recovery in strawberry supplies brought use of frozen noncitrus fruits up from the half-pound slump in 1970. Dried fruit consumption, which drifted slowly

PER CAPITA CONSUMPTION OF SELECTED CROP PRODUCTS

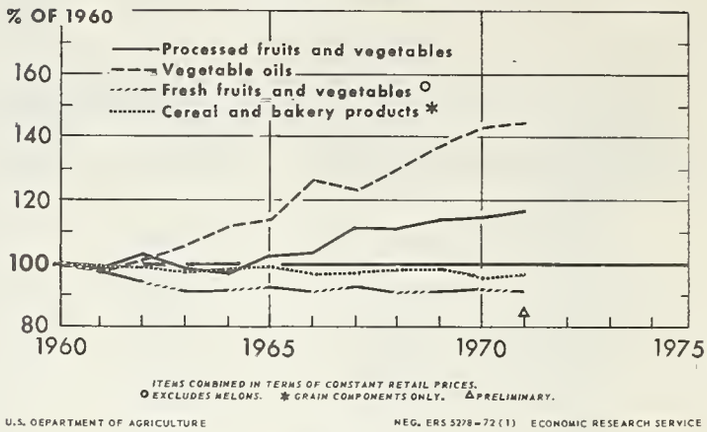

Figure 10

downward from 1960 to 1970, regained most of the loss in 1971. Per capita consumption of canned fruit remained near 22.5 pounds, about the same as in 1957-59 and in 1967.

The citrus crop now being harvested is expected to be about the same as last year, but improvement in juice yields may increase effective supplies. A 6 percent increase is expected in the lemon crop.

On January 1 cold storage stocks of apples were 6 percent larger and pears 58 percent larger than a year ago. Canning of apples is not completed for the 1971/72 season but packs of apples and applesauce are indicated less than last season. With carryins smaller than a year ago, the supply of canned apples will probably be around a fifth smaller and applesauce off a tenth.

Vegetables.—Fresh vegetable consumption per person edged lower in 1971, the first decrease since 1967. Smaller supplies of cabbage, lettuce, and tomatoes were the major cause. The index for processed products remained at 104 (1967=100) for the fourth consecutive year.

Smaller lettuce and celery crops will cause 3 percent smaller per capita supplies of winter vegetables this year. The same quantity of new cabbage, slightly more carrots, and much larger Florida tomato production are in prospect.

The per capita supply of canned and frozen vegetables will about equal last year's level until the 1972 pack season begins. New packs have largely replenished last summer's reduced stock levels. Canned vegetable supplies are expected to be a little larger than a year earlier, because of larger packs of sweet corn, peas, and some tomato products. On the other hand, frozen vegetable stocks, excluding potatoes, on January 1 were moderately smaller than on the same date a year earlier.

Potato supplies are large again this year. The East and the Midwest have larger crops to move, but the West has 5 percent less. Though total U.S. stocks on January 1 were 1 percent less than a year ago, they were 7 percent more than the same date in 1970. In general, round whites and reds are in heavy supply, but Russets are in a better market position than last year.

Another 1.3 pound increase in per capita consumption of frozen potato products was realized in 1971, the third such increase in 3 years. A further increase is expected in 1972.

Dry bean supplies are smaller again, as both carryover and the 1971 crop were less. Domestic use will be off, and exports are expected to be much lower. Prices are expected to hold firm at the high levels established in the previous selling season until the size of the 1972 crop is indicated.

Dry peas are abundant. Production in 1971 was the largest since the World War II era; stocks are high, and prices depressed. Exports, the major outlet for dry peas, were seriously disrupted by the dock strikes.

Fishery Products Situation

The generally tight supply conditions prevailing in fish markets for the past few years continued in 1971. The situation further deteriorated as dock strikes in late 1971 disorganized the normal distribution patterns and discouraged overseas suppliers from making shipments. Also international revaluation of foreign currencies favors the shipment of available world supplies to overseas markets and may further reduce the availability of seafoods in the United States. As a result, per capita consumption, which was down in 1971 may do well to hold steady in 1972.

Because of soaring prices, which hit a record level in 1971, the value of per capita sales continued strong. This was especially true for shellfish, particularly shrimp, lobster, lobster tails, crab, and scallops, which continued quite popular at both retail and institutional levels. The only major weakness was in retail sales of basic fish commodities such as fillets, steaks, and breaded fish sticks and fish portions.

Continued strength in demand, which will keep ahead of supplies, indicates another large jump in prices in 1972. However, due in part to Phase II the increase probably will be smaller than in 1971. In addition to burgeoning demand at the retail level, the institutional market remains strong with expected fast growth of fish sandwiches, fish and chips and similar items used mainly by food service operations.

Supplies will remain tight. Inventories of frozen fishery products at the start of 1972 were below a year earlier. Domestic production is seasonally low in the early months of the year, and imports are expected to run below a year ago.

SUGAR AND TROPICAL PRODUCTS

Sugar

Consumption remains high

Per capita sugar consumption totaled about 102 pounds last year, remaining at the high rate of 1970 (table 7). Total deliveries (physical basis) were 11.35 million tons, raw value, up 1.4 percent from a year ago. The increase reflected a combination of some increase in use and apparently larger stocks in the hands of industrial users, wholesalers, and retailers.

Deliveries to users

Preliminary data indicate sugar deliveries to users were mixed last year. Deliveries to cereal and bakery product manufacturers, confectioners and wholesalers declined slightly. Use in most other categories increased modestly. Deliveries for use in beverages (largely soft drinks) increased only fractionally, in contrast to the large jump the previous year when the ban on cyclamates stimulated a surge in sugar use.

Liquid sugar and bulk dry sugar deliveries continued their usual annual increase, while deliveries in large packages for industrial use (50 pounds and over) declined again. These trends reflect a continuation of the switch by industrial users toward laborsaving bulk deliveries and away from packages. Deliveries in consumer packages (less than 50 pounds) increased again in 1971, a change from the downtrend which apparently bottomed out in 1969.

Sugar prices

The U.S. raw sugar price averaged $8.52 per hundredweight (New York spot) in 1971 up 45 cents from the 1970 level (table 8). Reflecting the boost in raw sugar prices, wholesale prices of refined also increased last year. Retail sugar prices averaged 13.6 cents per pound (5-pound package) last year, up 4.9 percent from 1970.

Requirements higher in 1972

The U.S. sugar price remained above the price objective of the sugar Act for some time after the Ammendments became effective this January 1. Under the New Ammendments, the determination of consumption requirements must be raised when the U.S. raw sugar price has exceeded the price objective by more than 3 percent for 7 consecutive days at this time of year. Because of this requirement, U.S. sugar market requirements for calendar year 1972 were increased to 11.9 million tons (raw value) by USDA on January 25. This increase was announced to bring the U.S. price of raw sugar more in line with the price objectives in the U.S. Sugar Act. The announcement followed 2 previous increases in supplies, and the U.S. raw price declined to 9.00 cents per pound in late January and early February after going as high as 9.25 cents in mid-January. The recent increases in consumption requirements assures sugar supplies substantially above the high per capita disappearance last year.

Table 7.--U.S. sweeteners: Selected supply and distribution data, for specified years

Item	Unit	1950	1960	1965	1968	1969	1970	1971 1/
Sugar:								
Sources of supply (raw value 2/):								
Beet sugar distribution	1,000 ton	1,749	2,165	3,025	3,085	3,216	3,569	3,443
Cane sugar:								
U.S. Mainland shipments	1,000 ton	522	619	1,099	1,204	1,169	1,308	1,256
Inshipments from Hawaii	1,000 ton	1,145	845	1,137	1,192	1,160	1,146	1,088
Inshipments from Puerto Rico	1,000 ton	1,053	896	830	504	341	352	142
Total U.S. grown cane sugar 3/	1,000 ton	2,730	2,366	3,070	2,900	2,670	2,806	2,486
Total U.S. grown sugar	1,000 ton	4,479	4,531	6,095	5,985	5,886	6,375	5,929
Imported cane sugar:								
Western Hemisphere	1,000 ton	3,337	3,814	2,071	3,327	3,219	3,339	3,241
Philippines	1,000 ton	474	1,155	1,178	1,124	1,124	1,298	1,593
Other countries	1,000 ton	---	26	576	515	506	540	537
Total imported sugar	1,000 ton	3,811	4,995	3,825	4,966	4,849	5,177	5,371
TOTAL SUPPLY		8,290	9,526	9,920	10,951	10,735	11,552	11,300
Refined sugar deliveries: 4/								
By type of use:								
Cereal and bakery products	1,000 ton	636	1,048	1,155	1,395	1,344	1,468	1,425
Confectionery products	1,000 ton	696	804	959	1,085	1,037	1,106	1,085
Processed foods 5/	1,000 ton	550	790	838	923	916	928	978
Dairy products	1,000 ton	254	366	452	516	528	547	556
Other food uses 6/	1,000 ton	250	297	451	471	442	426	458
Total food use	1,000 ton	2,386	3,305	3,855	4,390	4,267	4,475	4,498
Beverages 7/	1,000 ton	752	1,148	1,560	2,025	2,100	2,357	2,366
Total industrial use	1,000 ton	3,138	4,453	5,415	6,415	6,367	6,832	6,864
Wholesalers	1,000 ton	3,038	2,530	2,302	2,208	2,061	2,198	2,144
Retailers	1,000 ton	1,172	1,223	1,192	1,224	1,193	1,320	1,332
Other nonindustrial	1,000 ton	116	153	218	187	191	188	170
Total nonindustrial use	1,000 ton	4,326	3,906	3,712	3,619	3,445	3,706	3,646
TOTAL DELIVERIES 4/	1,000 ton	7,464	8,359	9,127	10,034	9,812	10,538	10,510
By form of delivery:								
Liquid sugar 8/	1,000 ton	475	1,380	1,935	2,485	2,597	2,753	2,828
Bulk dry granulated	1,000 ton	100	1,146	2,064	2,607	2,604	2,952	2,993
Large packages (50 lb. and over)	1,000 ton	4,014	3,031	2,518	2,452	2,226	2,371	2,169
Total	1,000 ton	4,589	5,557	6,517	7,544	7,427	8,076	7,990
Consumer packages (less than 50 lb.)	1,000 ton	2,876	2,866	2,665	2,562	2,457	2,545	2,595
TOTAL 4/	1,000 ton	7,465	8,423	9,182	10,106	9,884	10,621	10,585
By Region:								
Northeast 9/	1,000 ton	2,733	2,788	2,841	2,978	2,937	3,068	3,078
South 10/	1,000 ton	1,662	2,056	2,108	2,238	2,262	2,340	2,353
North Central	1,000 ton	2,353	2,636	3,038	3,433	3,264	3,558	3,538
West 11/	1,000 ton	979	1,256	1,459	1,639	1,587	1,701	1,661
TOTAL 4/	1,000 ton	7,727	8,736	9,446	10,288	10,050	10,667	10,630
Corn sweetener shipments 12/	1,000 ton	1,024	1,207	1,664	1,749	1,798	1,956	2,070
Noncaloric sweeteners:								
U.S. production	1,000 lb.	2,000	3,300	12,841	19,661	16,632	---	---
Imports:								
Saccharin	1,000 lb.	21	264	765	841	904	1,398	1,420
Cyclamate	1,000 lb.	---	118	442	40	47	3	---
Per capita consumption:								
Dextrose	lb.	4.5	3.7	4.5	4.7	4.8	4.9	5.0
Corn Sirup	lb.	9.2	10.1	13.6	14.7	15.0	16.0	16.6
Total corn sweeteners	lb.	13.7	13.8	18.1	19.4	19.8	20.9	21.6
Refined sugar	lb.	100.6	97.6	96.4	99.8	99.9	102.5	102.0
Total caloric sweeteners 13/	lb.	117.8	113.9	116.8	121.2	121.9	125.2	125.4
Saccharin--sugar sweetness equivalent 14/	lb.	2.9	1.9	4.1	5.0	5.3	(6.2)	(6.5)
Cyclamate--sugar sweetness equivalent 15/	lb.	---	.3	1.7	2.2	1.6	---	---
Total noncaloric sweeteners	lb.	2.9	2.2	5.8	7.2	6.9	(6.2)	(6.5)

1/ Estimated, based on 9 or 11 months of data for most items. Data in parentheses are forecasts by ERS. 2/ 107 tons of sugar, raw value, is equivalent to 100 tons of refined sugar. 3/ Total includes inshipments from Virgin Islands through 1966. 4/ Total deliveries by type of use and by form of delivery differ from total deliveries by region of country because of differences in coverage. Deliveries by region generally account for over 99 percent of total U.S. deliveries. 5/Used in canned, bottled, and frozen fruits and vegetables, and jams, jellies, and preserves. 6/ Includes use in blended sirups in consumer containers, in meat curing, in commercially prepared foods not specified. 7/ Largely soft drinks. 8/ Sugar solids basis. 9/ Includes New England, New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia, West Virginia and District of Columbia. 10/ Excludes Delaware, Maryland, Virginia, West Virginia and District of Columbia. 11/ Includes Alaska and Hawaii beginning in 1960. 12/ Dry basis. 13/ Total includes other caloric sweeteners in addition to sugar and corn sweeteners. 14/ Assumes saccharin is 300 times as sweet as sugar. 15/ Assumes cyclamate use is 30 times as sweet as sugar; 1970 reflects the cyclamate consumption ban.

Sources: Sugar and corn sweetener data from Sugar Reports, published monthly by ASCS, U.S. Dept. of Agriculture. Noncaloric sweetener production data and cyclamate import data from Chemical Division, U.S. Tariff Commission. Saccharin import data from Bureau of the Census. Per capita consumption of corn sweeteners, sugar, and caloric sweeteners from Economic Research Service, U.S. Dept. of Agriculture. Per capita saccharin and cyclamate consumption estimated on basis of trade information.

Table 8.--U.S. sweeteners and beverages: Selected prices, 1967 and 1969-71

Item	Unit or base period	Cents per unit (or index number)							
					1971				
		1967	1969	1970	I	II	III	IV	Year
Sweeteners									
Sugar:									
Raw--New York, duty paid	Lb.	7.28	7.75	8.07	8.39	8.43	8.60	8.66	8.52
World--f.o.b. Caribbean	Lb.	1.99	3.37	3.75	4.76	4.37	4.19	4.78	4.53
Quota premium 1/	Lb.	+4.33	+3.38	+3.19	+2.43	2.90	3.30	+2.81	+2.87
Wholesale, refined sugar:									
Northeast cane sugar 2/	Lb.	10.62	11.44	11.97	12.27	12.45	12.60	12.60	12.48
Chicago-West, cane or beet 2/	Lb.	9.70	10.23	11.08	11.57	11.60	11.60	11.60	11.59
Pacific Coast--cane and beet 2/	Lb.	10.11	10.14	10.79	11.27	11.40	11.40	11.40	11.37
Bulk dry beet sugar--f.o.b. plant 3/	Lb.	9.10	9.41	9.89	10.20	10.36	10.30	10.24	10.28
U.S. average	Lb.	9.92	10.31	10.74	11.06	11.13	11.15	11.14	11.12
U.S. average, retail--5-lb. package	Lb.	12.10	12.40	12.97	13.43	13.56	13.69	13.74	13.61
Corn sirup--wholesale, dry basis									
Chicago	Lb.	6.40	9.50	10.15	7.36	7.16	6.15	5.07	6.43
U.S. average	Lb.	6.81	7.12	7.11	---	---	---	---	6.86
Dextrose--wholesale, dry basis									
New York	Lb.	9.10	9.77	10.20	10.52	10.77	10.77	10.77	10.71
Chicago	Lb.	8.34	8.80	9.53	9.95	9.98	9.98	9.98	9.97
Saccharin--wholesale (except calcium salt)	Lb.	130.0	130.0	145.0	154.0	154.0	154.0	154.0	154.0
Cocoa and Chocolate									
Wholesale:									
Cocoa beans--New York "Accra"	Lb.	29.0	45.7	34.2	28.3	26.3	28.1	24.5	26.8
Unsweetened chocolate	Lb.	28.2	42.6	39.0	35.6	31.5	33.0	35.3	33.8
Unsweetened cocoa powder	Lb.	9.9	14.6	17.4	16.1	18.2	17.6	18.3	17.6
Cocoa butter--New York	Lb.	66.0	96.6	69.5	54.8	52.6	58.3	51.5	54.2
Chocolate covered candy bars	1967=100	100.0	111.6	119.8	117.3	117.3	117.3	117.3	117.3
Solid chocolate candy bars	1967=100	100.0	121.3	134.0	137.9	135.7	138.8	142.3	138.7
Retail: U.S. average									
Chocolate bars (1-oz. bar)	Oz.	5.0	5.92	6.54	6.70	6.70	6.70	6.70	6.70
Beverages									
Coffee:									
Wholesale, green--New York:									
Colombian--Manizales	Lb.	42.5	44.7	57.2	52.5	49.5	48.6	50.3	50.2
Mexican Washed	Lb.	39.9	40.5	52.0	46.2	46.3	46.1	46.5	46.3
Brazilian--Santos No. 4	Lb.	38.4	40.8	55.7	52.7	44.2	43.2	44.3	46.1
Robusta--Ambriz No. BB	Lb.	---	33.5	42.0	43.3	42.9	42.7	42.9	43.0
Retail: U.S. average									
Roasted--can	Lb.	76.9	76.5	91.1	94.8	93.4	92.7	92.6	93.4
Roasted--bag	Lb.	64.7	63.7	77.4	82.0	80.7	78.6	73.9	78.8
Instant soluble--6-oz. jar	Jar	87.9	93.4	104.7	108.5	109.1	109.8	109.9	109.3
Cup of coffee--6-oz. cup	Cup	10.68	12.30	12.98	13.24	13.50	13.76	14.02	13.63
Tea:									
Wholesale, black tea--New York	Lb.	4.65	4.26	45.8	42.3	48.0	48.6	49.9	47.2
Retail, U.S. average of 48 tea bags	Pkg.	60.8	61.0	63.1	64.2	64.9	64.7	64.2	64.5
Soft drinks, U.S. average									
Wholesale, cola drinks	1967=100	100.0	115.3	121.1	123.7	123.7	123.7	123.7	123.7
Retail:									
Cola drinks (6 12-oz. bottles)	Carton	60.8	68.9	72.6	74.6	75.6	76.3	76.6	75.8
Carbonated fruit drink (6 12-oz. bottles)	Carton	57.0	63.1	69.1	71.5	72.6	73.0	73.2	72.6
Alcoholic beverages, U.S. average:									
Wholesale:	1967=100	100.0	102.4	105.4	108.6	109.3	109.8	109.9	109.4
Malt beverages (beer)	1967=100	100.0	103.1	106.1	109.6	110.2	110.2	110.6	110.2
Wines	1967=100	100.0	104.3	107.3	112.3	115.3	120.7	120.3	117.2
Distilled spirits (whiskey)	1967=100	100.0	100.0	103.2	104.7	104.7	104.7	104.2	104.6
Retail:	1967=100	100.0	107.2	112.3	115.5	116.4	117.3	118.2	116.8
Beer	1967=100	100.0	105.4	108.9	111.7	112.9	113.3	113.7	112.9
Wine	1967=100	100.0	108.2	116.7	119.1	121.2	123.8	124.9	122.2
Whiskey	1967=100	100.0	102.5	105.0	105.8	106.0	106.8	106.9	106.4

1/ Difference between New York and world prices, adjusted to exclude duty (.625 cents per pound), computed freight from Greater Caribbean ports (including Brazil), insurance, and unloading charges. 2/ Basis price, 100-lb. paper bags, carload lots. 3/ Carload lots.

Sources: Wholesale sugar prices for raw sugar, and wholesale refined prices for Northeast, Chicago-West, and Pacific Coast from Sugar Reports, published monthly by ASCS, U.S. Dept. of Agriculture, U.S. average wholesale price for refined sugar and corn sirup from Bureau of Defense and Business Services, U.S. Dept. of Commerce. Saccharin, cocoa bean and cocoa butter prices from Journal of Commerce. Price per cup of coffee from Pan American Coffee Bureau. Unsweetened chocolate and unsweetened cocoa powder, prices are derived unit values of imported items, f.o.b., country of origin. All other prices and price indexes are from Bureau of Labor Statistics.

World market tightens

The U.S. market is largely insulated from the world market through the operations of the U.S. Sugar Act, but the growing tightness in the world sugar situation currently in having some influence. The Foreign Agricultural Service has estimated that world sugar production this crop year (May-April—1971/72) will total nearly 80 million short tons (raw value) and be near the crops of recent years. Despite 3 large recent crops, world consumption has outpaced world production, and world stock levels have been sharply reduced. The result—world sugar prices (spot raw; f.o.b. Caribbean ports, including Brazil) averaged 8.25 cents per pound during January compared with 5.95 cents in December, 4.78 cents in the fourth quarter of 1971 and 4.53 cents per pound for calendar year 1971. The January world price was the highest since February 1964 and the equivalent price in New York was 9.33 cents, slightly above the domestic U.S. price. Usually the equivalent world price is far below the domestic price.

The key factor in determining world sugar prices this year will be the size of the upcoming 1972/73 crop. Though in previous periods, high world prices have eventually stimulated expanded world production, there is some doubt the new crop can be increased significantly over the nearly 80 million ton level in 1971/72. If the upcoming crop is not large enough to start rebuilding world stocks, world sugar prices likely will remain near current levels and may increase.

Corn sweeteners

Per capita corn sirup consumption totaled 16.6 pounds in 1971, up 0.6 pound from the previous year, while per capita dextrose consumption of 5.0 pounds last year was up only 0.1 pound (table 7). Based on preliminary data, total U.S. corn sweetener shipments for domestic use totaled 2.1 millions tons in 1971, up nearly 6 percent.

Wholesale corn sirup prices, which rose sharply in 1970 because of high corn prices, declined late in 1971, as the record 5.6 billion bushel corn crop approached harvest. Corn sirup prices in early 1972 are substantially lower than in 1970 or 1969.

A major U.S. producer has announced a new policy for pricing dextrose. In recent years, dextrose has been priced at 79 percent of sugar prices in the same area. But beginning January 1, this year the percentage price structure was abandoned and dextrose will now be available to all users east of the Rocky Mountains at 9.20 cents per pound delivered in 600-bag car lots; west of the Rockies, it will be 9.35 cents. The bulk discount has also been increased to encourage bulk use where possible. Since the cost structure of dextrose is now substantially different from that for sugar, the new dextrose price schedule will change the competitive relationships between dextrose and sugar depending on location.

Saacharin—FDA limits use

The Food and Drug Administration (FDA) recently removed saccharin from its list of food additives that are "generally recognized as safe" (GRAS List) and has set limits on the amount that can be used in foods and in low-calorie soft drinks. The action does not prohibit food processors or beverage makers from using saccharin, but it will tend to discourage wider use in the future. More research is required before FDA can determine whether saccharin must be banned as a sweetener in foods and soft drinks.

The present action results from a study of rats fed enormous quantities of saccharin over a 2-year period. A few of the rats developed tumors but it is not yet known whether the tumors are cancerous. If malignancy is found, the FDA is required by law to ban saccharin from use in foods and beverages. The present study follows a similar one which eventually led to the ban on cyclamate use. The rat tumors caused by cyclamates were found to be cancerous.

Honey

Poor weather coupled with some cutback in colony numbers restricted U.S. honey production to 206 million pounds in 1971, 11 percent lower than the previous year. In mid-December, producer stocks were reduced to 33 million pounds from the 53 million pounds in December 1970. The lower production caused a decline in U.S. exports. An overall decline in world production limited U.S. imports. Per capita consumption declined from 1.2 to 1.1 pound in 1971. The reduced supplies and brisk demand pushed U.S. honey prices higher. Farmers received 21.9 cents per pound for their honey last year, up from 17.4 cents in 1970. Honey prices were relatively stable from 1962 through 1970, with some year-to-year fluctuation.

Coffee

Consumption down

Per capita consumption of coffee totaled 13.6 pounds in 1971, down from 13.8 pounds in 1970, continuing the general downtrend since 1962 (table 9). The downtrend in consumption is slowing, perhaps to bottom out in the near future. A recent trade survey indicates that per capita coffee consumption among certain younger age groups may have increased compared with declines in previous years.

Larger crop this year

The third estimate (December) of the 1971/72 world coffee crop is forecast at 71 million bags (132.3 pounds each) by the Foreign Agricultural Service. It is expected to be the largest crop since 1965/66, and over a fifth larger than the short 1970/71 crop.

Exportable production (total harvested production less estimated domestic consumption in producing

Table 9.--U.S. beverages and cocoa: Selected supply and distribution data for specified years

Item	Unit	1950	1960	1965	1968	1969	1970	1971
Beverages								
Coffee:								
Green bean imports:								
Colombia milds	Mil. lb.	537	561	468	458	377	390	396
Other milds	Mil. lb.	529	619	751	745	659	697	736
Unwashed Arabica	Mil. lb.	1,278	1,304	921	1,234	894	771	943
Total Arabica	Mil. lb.	2,344	2,484	2,140	2,437	1,930	1,858	2,075
Robusta	Mil. lb.	93	435	676	920	746	751	789
Total imports	Mil. lb.	2,437	2,919	2,816	3,357	2,676	2,609	2,864
U.S. Roastings (green bean basis):								
Regular roasted	Mil. lb.	---	2,367	2,368	2,358	2,295	2,206	2,128
Instant soluble	Mil. lb.	---	529	499	442	463	434	432
Total Roasted	Mil. lb.	2,436	2,896	2,867	2,800	2,758	2,640	2,560
Per capita consumption (green bean basis):								
Regular roasted	Lb.	---	12.9	12.4	12.3	11.8	11.7	11.5
Instant soluble	Lb.	---	2.9	2.4	2.5	2.4	2.1	2.1
Total per capita	Lb.	16.1	15.8	14.8	14.8	14.2	13.8	13.6
Tea (leaf basis):								
Annual imports	Mil. lb.	115	114	130	155	140	137	175
Per capita consumption	Lb.	.61	.59	.68	.72	.73	.72	.75
Soft drinks:								
Per capita consumption:								
Sugar sweetened	Gal.	10.1	11.9	14.1	17.4	18.4	20.9	21.2
Low calorie	Gal.	---	.1	2.1	3.3	3.1	1.8	2.6
Total per capita	Gal.	10.1	12.0	16.2	20.7	21.5	22.7	23.8
Alcbholic beverages:								
Per capita consumption,								
Age 21 years and over:								
Malt beverages	Gal.	---	25.1	27.0	28.9	29.7	30.8	31.8
Wines	Gal.	---	1.46	1.60	1.74	1.85	2.09	2.25
Distilled spirits	Gal.	---	2.17	2.58	2.91	3.01	3.05	3.10
Total alcoholic beverages	Gal.	---	28.7	31.2	33.6	34.6	35.9	37.2
Cocoa and chocolate:								
U.S. imports:								
Cocoa beans	Mil. lb.	659	551	794	511	489	625	708
Unsweetened chocolate (bean basis)	Mil. lb.	16	27	7	12	10	9	8
Cocoa butter (bean basis)	Mil. lb.	9	19	23	27	19	45	46
Cocoa powder (bean basis)	Mil. lb.	31	109	112	142	146	144	129
Total semi-processed (bean basis)	Mil. lb.	56	157	148	194	181	207	190
Consumer products (bean basis)	Mil. lb.	2	8	13	20	22	23	19
Total imports (bean basis)	Mil. lb.	717	716	955	725	692	855	917
U.S. cocoa bean grind (bean basis)	Mil. lb.	515	483	628	641	592	585	615
Total confectionery shipments	Mil. lb.	2,784	3,004	3,474	3,907	3,968	3,933	4,012
Per capita consumption:								
Cocoa and chocolate (bean basis)	Lb.	3.5	2.9	4.0	4.3	3.9	3.9	3.9
Total confectionery products	Lb.	18.4	16.9	18.2	20.3	20.2	19.9	19.4

. Sources: All imports plus coffee roastings from Bureau of Census. Soft drink consumption data adapted from data published by National Soft Drink Association; sugar-sweetened and low-calorie components estimated on basis of trade information. Alcoholic beverage data published by U.S. Brewers Association. Cocoa bean grind, confectionery manufacturer's shipments and per capita consumption of confectionery products from Business and Defense Services Administration, U.S. Dept. of Commerce. Per capita consumption of coffee, tea, and cocoa and chocolate (bean basis) from Economic Research Service, U.S. Dept. of Agriculture.

Note: Data for 1971 are preliminary estimates.

countries) may total about 52 million bags this crop year, up from the 40 million bags available for export from the 1970/71 crop. World import demand for 1971/72 is estimated at 53 or 54 million bags, slightly more than exportable production. If these forcasts are realized, a somewhat tight market situation will mean a small drawdown in world stocks. This would be the sixth consecutive year in which world production has fallen short of consumption.

U.S. imports up

U.S. green coffee imports totaled 2.86 billion pounds in 1971, up 10 percent from the previous year. The increase largely reflected sharply higher imports from the new Brazilian crop in the last half of 1971. Imports of roasted coffee in 1971 totaled 27 million pounds (green bean basis) sharply above a year earlier; imports of instant coffee totaled 109 million pounds (green bean equivalent), up only slightly.

Total domestic roastings totaled about 2.56 billion pounds in 1971, 3 percent less than in 1970. Instant coffee roastings were near the 1970 level, while regular roastings probably declined about 3.5 percent. Year-to-year declines were greater in the first half of 1971 than in the last half.

Prices firm

Wholesale green coffee prices firmed in the fourth quarter last year, reflecting the near balance of world exportable production and world demand. Retail coffee prices on the other hand edged lower, particularly for bagged coffee (table 8). In view of the present market situation, U.S. coffee prices will likely remain near current levels until the size of the upcoming 1972/73 crop is more certain.

Tea

Based on preliminary data, per capita tea consumption totaled 0.75 pound (dry leaf basis) in 1971, up from 0.72 pound in 1970 (table 9). This continues the uptrend in tea consumption which began in the early 1960's. Tea imports totaled 175 million pounds in 1971, up from 137 million pounds in 1970, and exceeding the previous import record of 155 million pounds in 1968. Only part of the increase in imports went for increased consumption; the remainder was used to replenish stocks. Tea prices, both wholesale and retail, averaged higher in 1971 than in 1970. However, monthly tea prices at yearend were about the same as at the beginning of the year.

Cocoa and Chocolate

Consumption steady

Per capita cocoa consumption totaled 3.9 pounds in 1971, the same as in 1970 (table 9). The U.S. cocoa bean grind of 615 million pounds was up 5 percent. Most of the increase occurred in the last half of the year as U.S. chocolate manufacturers stepped up operations in response to lower priced cocoa.

Imports mixed

Larger world supplies and declining prices stimulated cocoa bean imports of 708 million pounds last year, 13 percent more than in 1970 and 45 percent higher than in 1969.

Imports of semiprocessed and consumer cocoa and chocolate products totaled 209 million pounds (cocoa bean equivalent) down 9 percent from the high 1970 level. Imports of cocoa butter and chocolate confectionery increased fractionally while sweetened chocolate in 10-pound bars were up significantly. However, unsweetened chocolate, unsweetened cocoa powder, chocolate crumb, and sweetened cocoa and chocolate all declined.

New crop larger

The Foreign Agricultural Service recently estimated that the 1971/72 world cocoa production will total near 1.6 million metric tons, 5 percent over the previous record crop of 1970/71. Expanded supplies and the resulting decline in cocoa prices stimulated both larger U.S. and world grindings in the second half of 1971. The larger grind in the United States is expected to carry into calendar year 1972. World cocoa bean grindings in 1972 are not expected to match anticipated production levels, so world cocoa bean stocks may increase for the third consecutive year.

Cocoa prices

Cocoa bean prices (New York—"Accra") averaged 27 cents in 1971, down from 34 cents in 1970 (table 8). Both cocoa bean and cocoa butter prices averaged moderately higher in the third quarter last year, even though a record-large crop was nearly ready for harvest. When the size of the crop became more apparent, cocoa bean prices declined slightly in the last quarter. But expanded grindings in the last quarter and a prospective continuation of larger grindings in 1972 pulled cocoa bean prices from 24 cents in December to 26 cents in January this year.

With adequate supplies and moderately low wholesale prices, retail prices of cocoa and chocolate products will likely remain near current levels for some time. There was little change in retail cocoa and chocolate prices in 1971.

Utilization up slightly in 1971

Total net utilization of farm food commodities increased 1 percent in 1971, compared with a 3 percent increase the prededing year (table 10, fig. 5). All of the advance in 1971 came from a 2.5 percent gain in utilization of livestock food commodities, particularly greater civilian food use and export. Utilization of crop food commodities declined nearly 1 percent, mostly due to a drop in volume of exports. Civilian food use was up nearly 3 percent, but military food use declined, reflecting some reduction in Armed Forces (fig. 5).

Estimated export volume of farm food commodities declined nearly 7 percent in calendar year 1971 following a 22 percent rise the previous year. Part of this decline can be explained by the impact of the dock strikes at East Coast, Gulf, and West Coast ports.

All of the decline in exports of farm food commodities in 1971 came from the food crops side, down in volume nearly 9 percent. Declines in exports of wheat and wheat flour, feed grains, and soybean and soybean products were chiefly responsible. On the other hand, the volume of exports of livestock commodities, though of much smaller magnitude than crop exports, increased 10 percent in 1971.

Supplies up sharply

Supplies of food commodities increased considerably last year, led by an 11 percent increase in production and a 4 percent increase in imports (fig. 6). These increases coupled with a modest 1 percent rise in utilization resulted in 13 percent larger stocks at the end of 1971.

Most of the supply increases came from food crop commodities, mainly grain, although production of livestock commodities also was higher. Red meat production (carcass basis) was up 4 percent in calendar year 1971, largely because of 10 percent more pork (table 11). Poultry meat production was also up, led by a 5 percent rise for turkey; egg production was up more than 2 percent. Milk production edged up 1 percent, approximating the 1970 increase which halted a 5 year downtrend. Production of food fats and oils (fat content basis) climed 2 percent with virtually all types of products higher than in 1970.

There was a sharp increase in grain production, led by a 35 percent jump in corn output to a record 5.54 billion bushels. Corn yields rose 21 percent while harvested acreage was up nearly 12 percent. Wheat production increased a fifth over 1970. Production of prepared cereal and grain products also increased, particularly corn sirup.

Fruit production was higher in 1971, led by increases in production for fresh use (except apples), canned and chilled fruit juice, and frozen noncitrus fruits. Vegetable production was about the same as a year ago. Potatoes, sweetpotatoes, dry beans, melons, and fresh vegetables declined somewhat, while production of canned vegetables and frozen potato products increased.

The volume of imports of farm food products in 1971 gained nearly 4 percent, despite the dock strikes in the latter part of the year. Imports of crop food products rose over 7 percent, with cane sugar, coffee, cocoa beans, tea, and fruit and vegetable products leading the way. However, the import volume of livestock products declined nearly 9 percent in 1971, led by declines in imports of beef, eggs and dairy products.

Farm marketings up

The volume of farm marketings increased 5 percent in 1971 over the 1970 level (table 12). Most of the increase came from a sharp rise in food crop marketings, particularly for food grains. Feed grain marketings also were up significantly.

Outlook for 1972

Utilization of food commodities in 1972 is expected to increase again, but perhaps less than in 1971. All 3 major uses—food, nonfood, and exports—may rise.

Total production (net of feed and seed use) probably will be smaller than last year, due to smaller crop output. Crop production may again be larger than utilization needs. As a result, stocks at the end of 1972 will probably increase again.

Based on January intentions shown below, prospective supplies of feed grains in 1972 will be more than adequate to meet food, feed, and export requirements. However, the USDA recently announced new options to allow additional payments to farmers to encourage additional setaside of acreage and bring grain production more in line with prospective utilization. As a result actual plantings may differ from the January 1 intentions although supplies may still remain fully adequate.

Farmers' planting intentions for 1972

Crop	Acreage change from 1971 plantings
	Percent
Corn	down 4
Durum wheat	down 3
Other spring wheat	down 8
Oats	down 4
Barley	down 9
Sorghum	down 7
Soybeans	up 4
Winter wheat	up 9

Source: *Crop Production, Prospective Plantings 1972,* released by SRS, January 27, based on January 1 intentions. *Crop Production, Winter Wheat Report* December 1971, based on acreage seeded on December 1.

Table 10.--Livestock, crop, and total farm food commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1965-71 1/

Year	Supply			Total annual utilization	Utilization					
					Domestic use					Exports and shipments 4/
					Food		Non-food		Total	
	Production	Imports 2/	Stocks 3/		Civilian	Military	Seed and feed	Other		
	A.--All food commodities indexes: (1967=100) 5/									
1965	93.8	92.1	105.8	96.3	95.2	90.6	---	102.8	95.4	103.5
1966	92.5	99.7	106.9	98.9	96.8	96.7	---	105.6	97.1	111.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	---	100.0	100.0	100.0
1968	100.3	111.7	109.1	102.1	102.5	97.9	---	101.6	102.3	100.5
1969	100.7	101.2	116.5	102.6	104.3	83.4	---	101.9	103.8	93.3
1970	98.4	105.1	120.7	105.7	105.7	70.3	---	91.6	104.5	114.1
1971 6/	108.9	109.0	111.8	107.2	108.7	63.2	---	93.7	107.3	106.6
	Livestock food commodities (1967=100)									
1965	94.9	71.5	104.0	95.4	94.5	86.1	107.6	103.1	94.7	124.3
1966	96.8	95.0	86.2	97.1	96.7	92.2	113.8	99.7	97.1	100.4
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	100.6	109.3	128.8	102.1	102.2	99.6	96.7	103.1	102.0	106.2
1969	100.9	114.2	112.0	102.6	103.1	85.1	100.0	102.3	102.6	104.2
1970	103.6	125.0	96.8	104.8	105.8	71.6	102.0	96.1	104.7	109.1
1971 6/	106.4	114.2	106.1	107.4	108.6	62.6	100.9	90.6	107.1	119.7
	Crop food commodities (1967=100)									
1965	91.8	97.0	105.7	95.9	96.8	106.9	91.1	102.6	94.8	100.6
1966	92.3	100.5	107.8	103.0	97.0	113.1	104.6	108.4	100.7	113.4
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	101.6	112.1	107.9	102.9	103.0	90.8	105.0	100.8	103.6	99.7
1969	103.8	98.3	116.7	105.3	107.2	76.9	110.2	101.7	107.9	91.7
1970	98.1	100.6	121.8	109.3	105.7	65.4	114.1	89.3	108.1	114.8
1971 6/	112.8	108.0	112.0	108.5	108.9	65.4	117.1	95.3	109.4	104.7
	B.--All food commodities: Percentage of annual utilization 5/									
1965	90.6	9.9	-.5	100.0	82.4	1.8	---	3.0	87.2	12.8
1966	87.0	10.4	2.6	100.0	81.8	1.8	---	2.9	86.5	13.5
1967	93.0	10.3	-3.3	100.0	83.4	1.9	---	2.8	88.1	11.9
1968	91.3	11.3	-2.6	100.0	83.7	1.8	---	2.7	88.2	11.8
1969	91.3	10.2	-1.5	100.0	84.8	1.5	---	2.8	89.1	10.9
1970	86.6	10.3	3.1	100.0	83.5	1.2	---	2.4	87.1	12.9
1971 6/	94.4	10.5	-4.9	100.0	84.6	1.1	---	2.4	88.1	11.9
	Livestock food commodities: Percentage of annual utilization									
1965	97.0	2.5	.5	100.0	91.0	2.1	2.3	1.6	97.0	3.0
1966	97.2	3.2	-.4	100.0	91.6	2.2	2.4	1.4	97.6	2.4
1967	97.5	3.3	-.8	100.0	91.9	2.3	2.1	1.4	97.7	2.3
1968	96.0	3.5	.5	100.0	91.9	2.3	2.0	1.4	97.6	2.4
1969	95.9	3.7	.4	100.0	92.2	1.9	2.1	1.4	97.6	2.4
1970	96.3	3.9	-.2	100.0	92.7	1.6	2.0	1.3	97.6	2.4
1971 6/	96.6	3.5	-.1	100.0	92.9	1.4	1.9	1.2	97.4	2.6
	Crop food commodities: Percentage of annual utilization									
1965	86.7	14.7	-1.4	100.0	45.0	.8	31.5	3.5	80.8	19.2
1966	81.0	14.2	4.8	100.0	42.0	.7	33.6	3.5	79.8	20.2
1967	90.4	14.6	-5.0	100.0	44.6	.7	33.1	3.3	81.7	18.3
1968	89.2	15.9	-5.1	100.0	44.6	.6	33.8	3.2	82.2	17.8
1969	89.4	13.6	-3.3	100.0	45.6	.5	34.7	3.2	84.0	16.0
1970	84.1	13.4	5.5	100.0	43.1	.4	34.5	2.7	80.7	19.3
1971 6/	94.0	14.5	-8.5	100.0	44.7	.4	34.3	2.9	82.3	17.7

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Includes essentially all commodities having any U.S. food use. For list of food commodities, see NFS 124 (May 1968) page 15; for comparable data for 1950-64, see NFS 136, (May 1971) pp. 20-22. 2/ Includes shipments from U.S. Territories. 3/ Farm (Other than live animals), commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals. 4/ Includes shipments to U.S. Territories. 5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock. 6/ Preliminary.

Table 11.-- Production of major food commodities, average 1957-59, annual 1968-71 1/

Commodity	Unit	Average 1957-59	1968	1969	1970	1971 preliminary 2/	1971 as percentage of 1970
Meats (carcass weight) - Total	Mil. lb.	26,612	35,279	35,334	36,257	37,784	104
Beef	Mil. lb.	13,704	20,880	21,158	21,684	21,903	101
Veal	Mil. lb.	1,240	734	673	588	554	94
Lamb and mutton	Mil. lb.	711	602	550	551	555	101
Pork (excluding lard)	Mil. lb.	10,957	13,063	12,953	13,434	14,772	110
Poultry and eggs 3/							
Eggs	Mil. doz.	5,475	5,773	5,757	5,859	5,994	102
Chicken (ready-to-cook)	Mil. lb.	4,880	7,580	8,054	8,663	8,750	101
Turkey (ready-to-cook)	Mil. lb.	1,065	1,620	1,614	1,738	1,830	105
Dairy products							
Total milk	Bil. lb.	123.3	117.2	116.3	117.4	118.6	101
Cheese 4/	Mil. lb.	1,396	1,938	1,990	2,204	2,380	108
Condensed and evaporated milk	Mil. lb.	2,789	1,800	1,776	1,517	1,485	98
Ice cream (product weight)	Mil. lb.	3,212	3,711	3,674	3,662	3,707	101
Fats and oils - Total fat content 5/	Mil. lb.	11,070	14,924	15,817	18,304	18,676	102
Butter (actual weight)	Mil. lb.	1,477	1,175	1,126	1,143	1,146	100
Lard 6/	Mil. lb.	2,584	2,062	1,904	1,913	1,975	103
Margarine (actual weight)	Mil. lb.	1,549	2,141	2,182	2,230	2,300	103
Shortening	Mil. lb.	2,022	3,312	3,481	3,588	3,540	99
Other edible fats and oils 7/	Mil. lb.	7,297	11,916	13,007	15,471	15,775	102
Fruits							
Fresh:							
Citrus	Mil. lb.	6,794	5,890	6,718	6,880	7,002	102
Apples (commercial)	Mil. lb.	3,859	3,189	3,744	3,486	3,450	99
Other (excluding melons)	Mil. lb.	4,069	3,789	3,882	3,487	3,878	111
Processed:							
Canned fruit	Mil. lb.	4,158	4,937	5,300	4,468	4,301	96
Canned fruit juices	Mil. lb.	2,688	2,458	3,001	2,925	3,031	104
Frozen (including juice)	Mil. lb.	1,556	1,693	1,961	2,074	2,091	101
Dried	Mil. lb.	696	825	786	797	885	111
Vegetables 8/							
Fresh 9/	Mil. lb.	19,881	21,837	21,808	21,863	21,620	99
Canned	Mil. lb.	7,694	11,591	9,546	9,808	10,358	106
Frozen	Mil. lb.	1,183	2,081	1,828	1,869	1,840	98
Potatoes and sweetpotatoes							
Potatoes	Mil. cwt.	252	294	312	326	316	97
Frozen potato products	Mil. lb.	287	1,736	2,048	2,404	2,610	109
Sweetpotatoes	Mil. cwt.	18.2	13.6	14.7	13.8	11.9	86
Grains							
Wheat	Mil. bu.	1,177	1,576	1,460	1,370	1,640	120
Rice, rough	Mil. cwt.	45.7	89.4	104.1	90.9	83.8	92
Corn, grain only	Mil. bu.	3,409	4,393	4,583	4,099	5,540	135
Other							
Dry edible beans 10/	Mil. lb.	1,782	1,739	1,889	1,730	1,617	93
Melons 9/	Mil. lb.	4,455	4,408	4,508	4,558	4,294	94
Sugar, raw basis	1,000 tons	11/2,732	5,628	5,482	5,874	5,829	99
Peanuts, farmers' stock 12/	Mil. lb.	1,591	2,543	2,529	2,979	2,992	100

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 50-State basis beginning 1960. 2/ Based on the best available information but subject to revision in line with later data from the Crop Reporting Board. 3/ Includes an allowance for nonfarm production. 4/ Excludes full skim, cottage, pot, and baker's cheese. 5/ Includes butter, lard and "other edible fats and oils." 6/ Includes amount used in manufactured food and nonfood products. 7/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils; oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 8/ Excludes potatoes and sweetpotatoes. 9/ Covers total commercial production for sale as fresh both for shipment to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 10/ Cleaned basis. Beginning 1959, excludes seed beans produced on contracted acreage. 11/ Excludes Hawaiian production. 12/ Beginning 1959 on a net-weight basis (cleaned and adjusted to standardized moisture content).

Table 12.--Volume of farm marketings and home consumption 1/
(1967=100)

Item	1969	1970	1971 preliminary	Percentage change 1970 to 1971
				Percent
All farm commodities	105	103	108	5
Food marketing & home consumption	103	103	106	3
Food marketings	103	103	107	4
Total food livestock	101	105	106	1
Meat animals	102	106	108	2
Poultry and eggs	101	106	107	1
Dairy products	99	100	101	1
Total food crops	107	99	109	10
Food grains	105	88	108	23
Vegetables 2/	103	102	102	0
Fruit and nuts	114	108	112	4
Sugar crops	116	113	118	4
Home consumption	90	92	91	-1
Livestock	90	91	90	-1
Crops	92	94	93	-1
Nonfood marketings	111	105	114	9

1/ Quantities of farm products weighted by constant farm prices. Data on a 50-State basis. Data beginning 1910 reported in Food Consumption, Prices and Expenditures, Agric. Econ. Report No. 138, July 1968, p. 163, are on a 48-State basis. 2/ Includes potatoes, dry edible beans, and melons.

Table 13.--Wholesale food price indexes and Wholesale Price Index, selected periods 1/
(1967=100)

Year and month	Farm products			Processed foods and feeds														
				Meats														
	Eggs	Fresh and dried fruits and vegetables 2/	Total 3/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 2/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 4/	Total 5/	All food 6/	Industrial commodities 7/	All commodities
1957-59	118.6	98.4	100.3	94.5	95.1	94.9	116.3	79.8	82.0	93.3	98.0	85.4	88.5	93.9	89.5	92.1	94.1	94.3
1960	122.4	99.0	97.2	95.1	86.6	91.8	116.2	81.4	86.1	92.8	88.7	88.1	90.1	92.8	89.5	92.1	95.3	94.9
1966	128.0	100.9	105.9	98.4	111.8	104.3	113.1	101.5	97.2	97.8	102.5	98.5	97.8	99.3	101.2	101.9	98.5	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	111.4	106.6	102.5	104.2	98.5	102.2	105.8	108.1	104.8	106.5	98.1	100.9	102.8	102.8	102.2	103.4	102.5	102.5
1969	133.9	109.3	108.8	112.9	110.8	113.3	113.6	118.6	108.2	107.9	101.5	102.6	109.4	106.0	107.3	109.6	106.0	106.5
1970	126.8	111.6	111.0	114.5	111.7	115.0	113.3	125.1	111.2	110.4	111.8	107.6	115.9	112.9	112.0	113.5	110.0	110.4
January	180.5	114.8	112.8	112.9	123.9	118.5	124.2	126.6	109.8	109.0	105.4	104.4	114.2	110.2	112.0	115.1	108.3	109.3
February	162.4	115.4	114.0	111.7	121.9	118.1	117.3	127.7	110.0	109.4	105.4	105.3	113.0	111.1	112.1	114.6	108.7	109.7
March	142.5	116.3	114.6	118.3	119.6	120.7	121.7	124.3	109.2	108.7	110.2	105.6	112.7	111.2	111.8	115.0	108.9	109.9
April	112.6	110.9	111.6	119.8	112.9	119.1	115.0	123.1	110.8	109.6	111.4	106.4	113.9	111.5	111.8	113.4	109.3	109.9
May	94.5	121.6	111.3	115.3	112.9	116.4	115.6	120.6	111.1	110.2	110.9	106.4	114.5	113.0	111.1	113.1	109.7	110.1
June	101.2	120.3	111.6	115.6	116.6	118.2	109.4	123.6	111.1	110.5	111.0	106.4	115.4	113.0	111.7	113.7	109.8	110.3
July	131.9	110.8	113.4	119.3	122.3	120.7	114.7	123.4	111.3	110.9	111.0	107.4	117.1	113.1	113.3	115.0	110.0	110.9
August	106.3	98.0	108.5	116.8	114.6	116.6	110.1	124.9	111.7	111.6	112.3	108.0	117.2	113.7	112.9	112.6	110.2	110.5
September	139.5	111.6	112.1	114.6	110.2	113.9	115.1	126.1	111.4	112.0	112.3	109.2	118.2	114.1	113.0	114.5	110.4	111.0
October	104.6	100.8	107.8	112.1	101.7	109.9	108.6	122.7	112.0	111.1	115.2	109.9	118.6	114.5	111.8	111.7	111.3	111.0
November	117.8	107.7	107.0	111.1	94.5	106.5	110.0	126.8	112.2	111.6	119.0	110.6	118.1	114.7	111.7	112.3	111.3	110.9
December	127.3	111.3	107.1	106.0	89.4	102.0	97.2	132.0	112.8	111.0	117.5	110.9	117.8	114.3	110.7	111.2	111.7	111.0
1971 8/	100.8	120.1	112.8	124.0	99.5	114.1	112.4	137.0	115.4	114.3	121.1	111.4	119.2	115.8	114.3	115.5	114.0	113.9
January	113.3	115.7	108.9	113.3	92.6	105.9	110.1	130.0	112.8	111.2	119.4	111.0	118.6	115.0	111.8	112.4	112.2	111.8
February	97.6	118.3	113.9	122.2	102.4	113.6	112.7	132.6	112.3	111.5	119.4	111.1	118.3	115.2	113.3	114.2	112.5	112.8
March	101.2	125.3	113.0	122.1	92.4	110.9	111.8	130.9	115.0	111.9	119.4	111.5	119.2	115.3	113.7	115.0	112.8	113.0
April	104.4	120.8	113.0	124.4	91.0	111.5	110.7	132.3	115.5	113.0	119.4	111.5	118.6	115.6	113.5	114.7	113.3	113.3
May	92.4	127.5	114.0	128.0	96.3	115.1	112.0	132.4	116.2	114.0	118.5	111.5	119.2	115.7	114.5	116.0	113.7	113.8
June	98.0	136.1	116.0	124.4	97.7	114.1	118.7	137.1	116.1	115.4	118.5	111.5	119.0	115.7	114.9	117.0	113.9	114.3
July	89.4	109.3	113.4	122.9	106.1	116.0	129.7	138.9	116.2	115.9	122.8	111.5	119.4	115.9	116.0	115.8	114.5	114.6
August	110.1	115.9	113.2	124.5	102.6	115.5	113.7	141.7	115.4	116.2	124.6	111.4	120.5	116.1	115.4	116.6	115.1	114.9
September	107.8	103.6	110.5	125.9	101.1	115.5	114.7	138.4	115.4	115.7	123.3	111.3	119.8	116.0	114.6	115.1	115.0	114.5
October	92.4	115.8	110.3	123.4	105.4	115.7	107.2	138.4	116.4	115.3	122.8	111.3	118.7	116.4	114.1	115.3	115.0	114.4
November	88.5	127.1	112.2	126.1	101.1	115.6	106.0	142.2	116.3	115.4	122.8	111.5	119.1	116.6	114.4	116.3	114.9	114.5
December	114.4	126.3	115.8	131.4	105.4	119.6	101.8	149.2	117.4	115.8	122.0	111.6	120.2	116.4	115.9	118.1	115.3	115.4
	Seasonally adjusted																	
1970																		
January	168.2	113.1	112.9	---	---	---	---	---	110.0	108.8	105.2	---	113.7	---	111.7	---	---	---
February	159.5	112.6	113.5	---	---	---	---	---	110.4	109.3	105.0	---	113.3	---	112.0	---	---	---
March	141.9	112.9	113.6	---	---	---	---	---	110.4	108.8	109.5	---	113.5	---	112.4	---	---	---
April	126.8	110.7	112.2	---	---	---	---	---	111.1	109.7	110.8	---	114.8	---	112.6	---	---	---
May	121.9	109.5	109.8	---	---	---	---	---	111.0	110.2	110.8	---	115.0	---	111.5	---	---	---
June	120.2	115.2	110.0	---	---	---	---	---	110.7	110.4	111.2	---	115.7	---	110.9	---	---	---
July	128.1	108.6	111.0	---	---	---	---	---	111.0	110.7	111.9	---	116.3	---	111.8	---	---	---
August	112.7	105.2	109.5	---	---	---	---	---	111.4	111.8	113.1	---	116.7	---	112.3	---	---	---
September	117.0	120.4	112.6	---	---	---	---	---	111.2	112.6	113.3	---	117.7	---	112.4	---	---	---
October	107.3	110.9	110.2	---	---	---	---	---	111.6	111.3	115.4	---	117.9	---	112.2	---	---	---
November	109.1	108.9	108.5	---	---	---	---	---	112.3	111.2	118.2	---	117.9	---	112.5	---	---	---
December	108.0	111.5	108.2	---	---	---	---	---	112.5	111.0	117.3	---	118.2	---	111.6	---	---	---
1971																		
January	105.6	114.0	109.0	---	---	---	---	---	113.0	111.0	119.2	---	118.1	---	111.5	---	---	---
February	95.9	115.0	113.4	---	---	---	---	---	112.8	111.4	118.9	---	118.7	---	113.2	---	---	---
March	100.8	121.7	112.0	---	---	---	---	---	116.3	112.0	118.7	---	120.0	---	114.3	---	---	---
April	117.6	120.6	113.6	---	---	---	---	---	115.8	113.1	118.8	---	119.6	---	114.3	---	---	---
May	119.2	114.9	112.4	---	---	---	---	---	116.1	114.0	118.4	---	119.7	---	115.0	---	---	---
June	116.4	130.4	114.3	---	---	---	---	---	115.6	115.3	118.7	---	119.4	---	114.1	---	---	---
July	86.8	107.2	111.0	---	---	---	---	---	115.9	115.7	123.8	---	118.6	---	114.5	---	---	---
August	116.8	124.4	114.2	---	---	---	---	---	115.1	116.4	125.5	---	120.0	---	114.8	---	---	---
September	90.4	111.8	110.9	---	---	---	---	---	115.2	116.3	124.4	---	119.3	---	114.0	---	---	---
October	94.8	127.4	113.8	---	---	---	---	---	115.9	115.5	123.0	---	118.0	---	114.6	---	---	---
November	81.9	128.5	113.8	---	---	---	---	---	116.4	114.9	121.9	---	118.9	---	115.2	---	---	---
December	97.0	126.6	117.0	---	---	---	---	---	117.0	115.8	121.8	---	120.6	---	116.8	---	---	---

1/ For earlier annual data (1957-59 reference base), see Food Consumption, Prices and Expenditures, Agricultural Economic Report No. 138, table 106. 2/ Includes potatoes. 3/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 4/ Includes alcoholic beverages. 5/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 6/ All food includes all processed foods (omitting soft drinks, alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 7/ Prior to 1967, includes manufactured animal feeds, soft drinks, and alcoholic beverages. 8/ 1971 annual averages computed by ERS.

Bureau of Labor Statistics.

Table 14.--Retail food price indexes and Consumer Price Index, selected periods 1/
(1967=100)

Year and month	Food at home																		
	Meats								Fruits and vegetables										
	Beef and veal	Pork	Total 2/	Poultry 3/	Fish	Eggs	Dairy products 4/	Fats and oils 5/	Fresh	Processed	Total	Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food	Consumer Price Index, less food	Consumer Price Index
1957-59	88.4	87.1	87.9	112.5	82.1	113.1	85.7	93.9	80.5	91.6	85.1	84.4	87.2	100.9	89.0	77.1	86.8	85.6	86.1
1960	92.1	81.7	87.2	106.9	85.0	113.2	88.4	86.5	84.6	92.9	88.3	87.1	90.1	91.5	89.6	81.4	88.0	88.8	88.7
1966	99.4	109.0	102.6	106.7	96.7	119.6	95.8	99.7	99.7	100.6	100.1	97.7	97.0	100.9	100.3	95.1	99.1	96.7	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.1	100.2	102.3	103.1	101.6	107.8	103.3	97.7	109.4	105.6	107.9	100.4	103.4	101.9	103.2	105.2	103.6	104.4	104.2
1969	114.5	109.1	111.4	109.0	107.2	126.8	106.7	97.7	111.1	106.5	109.3	103.3	109.1	104.6	108.2	111.6	108.9	110.1	109.8
1970	119.5	115.9	117.6	108.4	118.0	125.6	111.8	104.7	116.3	109.2	113.4	108.9	115.1	117.4	113.7	119.9	114.9	116.7	116.3
January	116.9	118.1	116.8	111.9	112.5	161.8	110.0	99.8	114.2	107.2	111.4	105.9	111.7	110.1	112.7	116.2	113.5	113.3	113.3
February	117.6	119.5	117.7	111.5	113.5	159.5	110.4	100.3	116.3	107.4	112.7	106.6	112.1	111.7	113.4	116.9	114.1	113.9	113.9
March	118.1	120.1	118.4	110.1	114.8	138.7	110.9	100.8	117.2	107.4	113.3	107.2	113.1	113.4	113.4	117.6	114.2	114.6	114.5
April	120.7	118.4	119.2	109.2	115.8	117.2	111.0	102.6	119.1	108.1	114.6	107.7	113.8	115.0	113.4	118.8	114.6	115.4	115.2
May	120.2	117.4	118.6	109.2	116.8	110.5	111.3	104.6	121.9	108.3	116.4	108.0	114.9	116.2	113.8	119.4	114.9	116.0	115.7
June	119.6	117.1	118.2	109.6	117.6	104.0	111.6	105.1	125.4	108.6	118.6	108.2	115.3	117.6	114.0	119.8	115.2	116.5	116.3
July	120.8	117.5	118.8	109.7	117.7	119.1	111.9	105.7	122.4	109.1	117.0	108.7	115.7	118.8	114.6	120.5	115.8	117.0	116.7
August	121.3	118.4	119.3	107.5	118.6	116.7	112.1	106.1	118.7	109.2	114.9	109.8	116.1	119.5	114.5	121.0	115.9	117.2	116.9
September	121.0	116.5	118.4	105.5	119.9	126.8	112.5	106.4	112.5	110.0	111.5	110.2	116.5	120.5	114.2	121.5	115.7	118.0	117.5
October	120.6	113.2	117.1	105.4	121.4	120.2	113.1	107.3	109.7	110.7	110.0	111.0	116.8	121.4	113.8	121.9	115.5	118.9	118.1
November	119.3	108.8	115.1	103.3	122.8	112.1	113.5	108.3	108.0	111.4	109.4	111.2	117.2	121.9	113.0	122.5	114.9	119.6	118.5
December	118.4	105.1	113.4	107.9	124.4	119.5	113.6	109.9	109.4	112.2	110.6	111.6	117.8	121.8	113.4	122.8	115.3	120.2	119.1
1971	124.9	105.0	116.7	109.0	130.2	108.4	115.3	114.4	121.0	116.2	119.1	113.9	119.3	121.6	116.4	126.1	118.4	122.1	121.3
January	118.5	103.6	112.9	106.3	125.4	124.0	113.9	111.3	107.4	112.8	109.6	112.4	117.8	121.9	113.4	123.4	115.5	120.3	119.2
February	120.0	103.2	113.5	105.5	127.0	112.7	114.0	112.1	112.2	113.0	112.6	112.8	117.9	122.1	113.9	123.9	115.9	120.4	119.4
March	122.4	106.0	115.6	107.8	127.7	110.9	114.2	112.4	117.7	113.5	116.0	113.0	118.1	121.8	115.1	124.3	117.0	120.6	119.8
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May	124.6	102.2	115.6	107.8	129.4	106.1	115.1	113.9	125.6	115.1	121.4	114.1	119.0	121.8	116.3	125.3	118.2	121.6	120.8
June	126.1	103.6	117.0	111.6	130.3	99.1	115.7	113.8	131.2	115.9	125.1	114.2	119.4	122.2	117.4	125.9	119.2	122.2	121.5
July	126.6	104.7	117.6	112.1	131.0	105.2	116.0	114.0	132.2	116.9	126.0	114.8	119.7	122.0	118.1	126.5	119.8	122.4	121.8
August	126.8	106.9	118.4	112.1	131.9	109.7	116.0	115.2	127.4	117.9	123.6	114.5	120.3	122.0	118.1	127.1	120.0	122.7	122.1
September	127.7	106.4	118.8	112.2	132.5	102.4	116.1	116.6	115.3	118.6	116.6	114.6	120.2	121.0	116.9	127.6	119.1	123.1	122.2
October	127.1	105.8	118.3	110.0	132.8	106.7	116.0	116.7	113.6	118.4	115.6	114.3	120.1	121.2	116.6	128.0	118.9	123.5	122.4
November	126.6	106.3	118.2	108.1	132.9	103.2	115.9	116.7	117.3	118.5	117.8	114.1	120.0	120.9	116.7	128.2	119.0	123.7	122.6
December	128.0	107.2	119.1	107.5	133.2	110.5	116.1	116.4	128.2	118.8	124.4	113.8	120.1	120.5	118.2	128.3	120.3	123.9	123.1
	Seasonally adjusted																		
1970																			
January	117.6	119.4	117.6	115.3	112.1	148.6	109.8	---	115.5	---	112.1	---	---	---	112.7	---	113.5	---	---
February	118.3	120.5	118.4	111.7	113.2	146.3	110.4	---	117.6	---	113.4	---	---	---	113.5	---	114.3	---	---
March	118.7	121.2	119.2	109.0	114.7	139.4	111.1	---	116.7	---	113.1	---	---	---	113.6	---	114.4	---	---
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May	120.2	120.4	119.4	108.2	116.6	124.9	111.5	---	117.4	---	113.8	---	---	---	114.1	---	115.1	---	---
June	119.5	117.1	118.2	107.9	117.5	121.4	111.6	---	118.9	---	114.9	---	---	---	113.7	---	115.0	---	---
July	120.0	115.0	117.6	106.3	117.9	134.6	112.0	---	113.8	---	112.1	---	---	---	113.7	---	115.1	---	---
August	119.7	114.5	117.3	103.8	118.8	116.5	112.1	---	116.0	---	113.2	---	---	---	113.6	---	115.1	---	---
September	119.4	113.0	116.5	101.4	120.3	120.1	112.4	---	116.9	---	114.1	---	---	---	113.9	---	115.5	---	---
October	120.0	111.3	116.2	104.8	121.6	111.6	112.8	---	116.5	---	114.1	---	---	---	113.8	---	115.5	---	---
November	119.7	109.9	115.7	103.4	123.2	112.8	113.3	---	114.2	---	113.0	---	---	---	113.9	---	115.6	---	---
December	119.8	107.2	114.8	110.9	124.3	110.5	113.3	---	113.7	---	112.9	---	---	---	113.7	---	115.5	---	---
1971																			
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March	123.0	107.0	116.4	107.1	127.6	111.5	114.4	---	117.2	---	115.8	---	---	---	115.3	---	117.2	---	---
April	125.2	105.6	116.5	105.7	128.5	110.9	115.2	---	122.0	---	119.0	---	---	---	116.4	---	118.2	---	---
May	124.6	104.8	116.4	107.7	129.1	119.9	115.3	---	121.0	---	118.7	---	---	---	116.6	---	118.4	---	---
June	126.0	103.6	117.0	111.4	130.2	115.6	115.7	---	124.4	---	121.2	---	---	---	117.0	---	119.0	---	---
July	125.7	102.4	116.4	109.2	131.3	118.9	116.1	---	122.9	---	120.7	---	---	---	117.2	---	119.1	---	---
August	125.2	103.4	116.4	109.3	132.2	109.5	116.0	---	124.5	---	121.8	---	---	---	117.2	---	119.2	---	---
September	126.1	103.2	116.9	109.3	132.9	97.0	116.0	---	119.9	---	119.3	---	---	---	116.6	---	118.9	---	---
October	126.5	104.0	117.4	110.7	133.1	99.1	115.7	---	120.6	---	119.9	---	---	---	116.6	---	118.9	---	---
November	127.0	107.4	118.8	109.7	133.3	103.8	115.7	---	124.0	---	121.7	---	---	---	117.6	---	119.7	---	---
December	129.6	104.4	120.5	109.4	133.1	102.2	115.8	---	133.3	---	126.9	---	---	---	118.6	---	120.5	---	---

1/ For earlier annual data (1957-59 reference base), see Food Consumption, Prices, and Expenditures, Agricultural Economic Report No. 138, July 1968. 2/ Beef, veal, lamb and mutton, pork, and and processed meat. 3/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only. 4/ Includes butter. 5/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI.

Bureau of Labor Statistics.

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DURING 1967-71 1/

1971

Percent of Income Spent for Food--Estimates from National Income and Household Survey, NFS-137, August 1971
Nutritional Review, NFS-138, November 1971
The Downtrend in U.S. Coffee Consumption, NFS-138, November 1971

1970

Nutritional Review, NFS-134, November 1970
Tea Situation: Trends and Prospects, NFS-134, November 1970
Food in the 1960's: Prices, Consumption, and Expenditures, NFS-133, August 1970
Consumption of Corn, Oats, and Barley Food Products, NFS-132, May 1970
Foods Eaten Away From Home, NFS-132, May 1970
Food: A Special Issue in Welfare Programs, NFS-131, February 1970

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Grocery Store Sales in 1968, NFS-130, November 1969
Cyclamate Sweeteners, NFS-130, November 1969
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Sweetener Situation, NFS-127, February 1969
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Forecasting the Quarterly Retail Food Price Index, NFS-120, May 1967

1/ For 1962-66 see National Food Situation, NFS-119, February 1967

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LIST OF TABLES AND CHARTS

Table	Title	Page
1	Consumer, wholesale, and farm price indexes, 1970-71	5
2	Expenditures for food in relation to disposable income, 1960, and 1965-71	8
3	USDA family food programs: Participation and value by months, 1970-71	9
4	Per capita food consumption, index 1960-71	11
5	Livestock products: Per capita consumption indexes, quarterly, 1969-71	12
6	Civilian consumption of major food commodities, 1957-59 average and 1967-71	13
7	U.S. sweeteners: Selected supply and distribution data, for specified years	16
8	U.S. sweeteners and beverages: Selected prices, 1967 and 1969-71	17
9	U.S. beverages and cocoa: Selected supply and distribution data for specified years	19
10	Livestock, crop, and total farm food commodities: Supply-utilization indexes, 1965-71	22
11	Production of major food commodities, average 1957-59 annual 1968-71	23
12	Volume of farm marketings and home consumption	24
13	Wholesale food price indexes and Wholesale Price Index, selected periods	25
14	Retail food price indexes and Consumer Price Index, selected periods	26

Charts

Figure		
1	Consumer prices: Food, services, consumer price index	2
2	Food prices: Retail, wholesale and farm levels	2
3	Food expenditure - income trends	2
4	Per capita food consumption	2
5	Uses of U.S. food products	2
6	Sources of U.S. food	2
7	Retail prices of selected livestock products	4
8	Retail prices of selected crop products	6
9	Per capita consumption of selected livestock products	10
10	Per capita consumption of selected crop products	14

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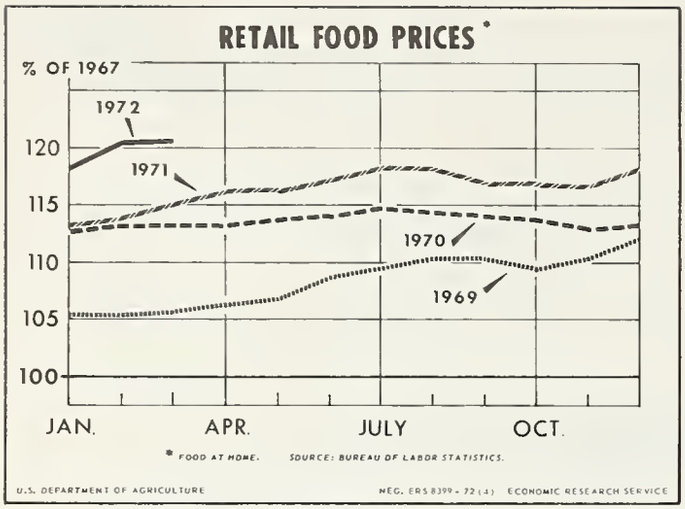
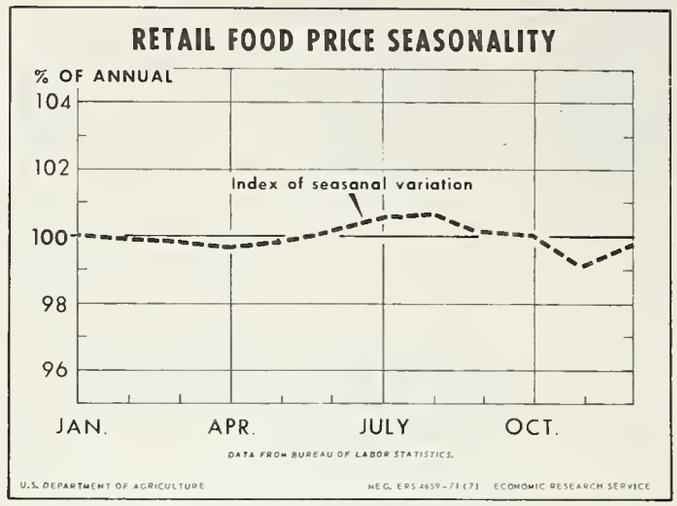


Figure 1



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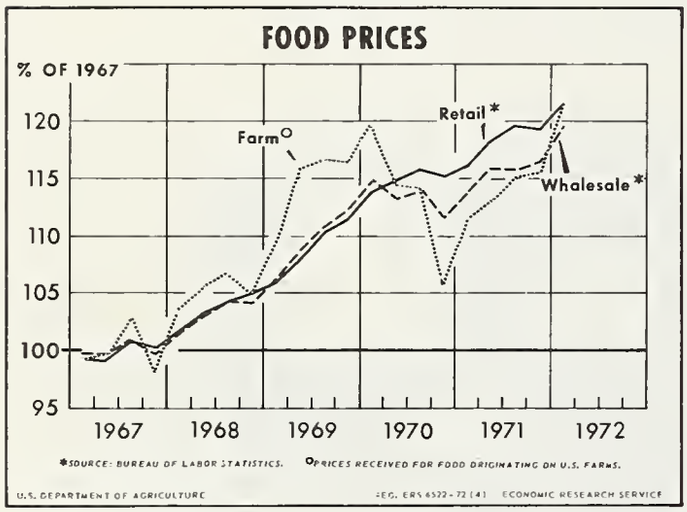

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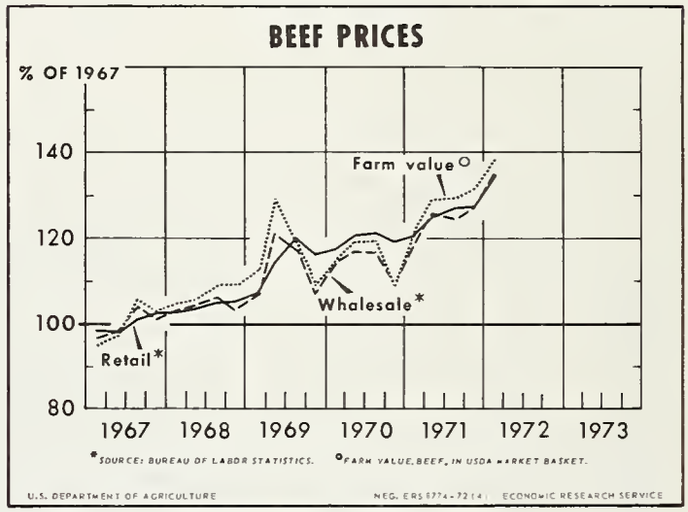

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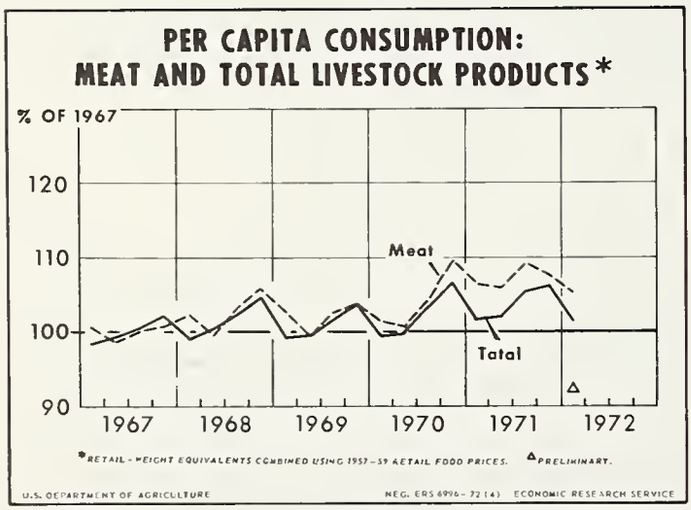

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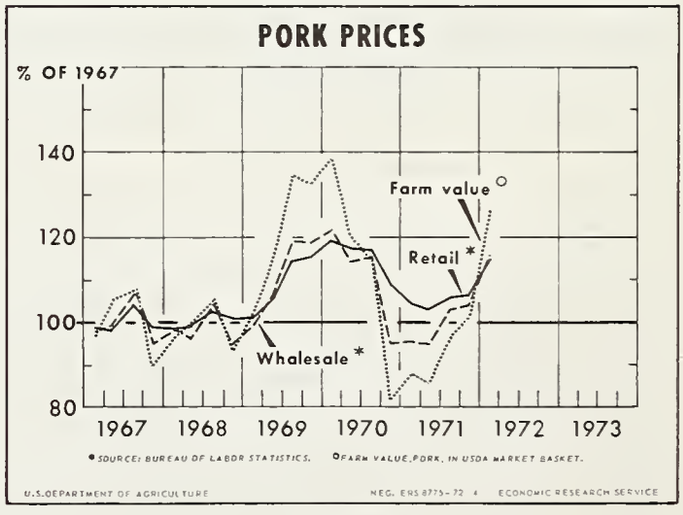

Figure 6

NATIONAL FOOD SITUATION

CONTENTS

	Page
Summary	3
Food Prices	4
Food Spending and Income	7
Per Capita Food Consumption	10
Sugar and Tropical Products - Situation and Outlook	15
Food Supply and Utilization	21
Special Article: U.S. Families Continue Processing Food at Home by Corinne Le Bovit	27
List of Tables	31
List of Charts	31

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Approved by
The Outlook and Situation Board
and Summary released
May 9, 1972

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Washington, D.C. 20250

• • •

The *National Food Situation* is published in February, May, August, and November.

SUMMARY

The rapid rise in food prices in grocery stores is easing as meat prices have declined in recent weeks. But some further rise may be in store this summer. Seasonal factors, brisk demand, and some tightening in pork supplies will account for most of the expected advance. By late summer and fall, prices will level off or may even edge downward.

For the year 1972, the all-food price index will likely be up 4 to 4½ percent, primarily reflecting the 5 percent higher prices in the first quarter. Food at home will rise about 4 percent, while increases for food away from home likely will stay under last year's 5 percent.

Advances for prices of products derived from livestock will account for most of 1972's increase. Pork prices will be sharply higher than last year's extremely low levels, and beef prices will also average significantly higher than last year. Poultry and eggs, on the other hand, which were depressed last year, will rise at a more moderate pace. The advance for fish may be about the same as last year and for dairy products less.

Retail prices of crop products may rise less than half as much as they did in 1971. Most items in the index will moderate. Potato prices may rise slightly compared with the decline in 1971. The advance for fats and oils may be below last year's record gain. Fruit prices may rise into the summer months, but less than the rise last year. Remaining supplies of most fruit items appear ample. Any gain in vegetable prices will be tempered by the usual seasonal increase in supplies. Vegetable prices will likely increase into early summer, perhaps by less than their rise a year ago. Beverage prices may fall below last year, reflecting lower coffee prices. The advances for sugar and cereal and bakery products are running much less than the large jumps of 1971.

First quarter retail prices of store bought food advanced 2 percent above the previous quarter. Strong demand and some seasonal factors contributed to the increase. Farm prices were up considerably from last year's depressed levels and the farm-retail spread regained the momentum it lost in the fourth quarter of 1971. Major gains in retail prices for beef, fish, and vegetables contributed to the very large increase in February. In March the rate of advance subsided sharply as lower vegetable prices offset further increases in meat prices.

Consumer expenditures for food totaled $121.1 billion (seasonally adjusted, annual rate) in the January-March quarter, up 1.3 percent from

October-December 1971 and 4 percent above a year ago. For 1972 food spending may total 5½ percent higher than in 1971.

The first quarter increase in disposable income exceeded the advance in food expenditures. The share of the Nation's income allocated to food decreased to 15.8 percent, down from 16.1 percent a year earlier.

Per capita food consumption in 1972 is forecast to remain near last year's record high level. Consumption of livestock food products may decline slightly, but the deficit may be balance by an increase for foods derived from crops. A decline in the consumption of pork and other meats will more than offset increased beef supplies. Per capita consumption of fats and oils, fresh produce, processed fruit and coffee are expected to decline, but gains are likely for poultry, processed vegetables and potatoes.

In the first quarter, consumption of livestock products was down a seasonally expected 5 percent from the fourth quarter. Meat consumption was down but poultry consumption declined less than seasonally expected. The livestock product consumption index was down nearly a half a percent from a year earlier.

Total net use of food commodities will rise this year, but at a slower pace than last year. Civilian food use will account for most of the increase. According to March planting intentions crop acreage for major food crops will be down 2 percent from last year, but most of this is attributed to corn which is used mainly as a feed grain in the food production system. Output of other crops may be offsetting. Livestock production is expected to increase. Despite the smaller intended crop acreage, supplies of crop foods should be ample. As a result, stocks at the end of 1972 may be larger than at the beginning of the year.

FOOD PRICES

Retail Food Prices Higher

Retail food prices in the first quarter of 1972 averaged nearly 5 percent above year-ago levels and rose almost 2 percent above the previous quarter. Nonfood items advanced fractionally from the last quarter of 1971 and were 3 percent higher than last year (table 1).

Food-at-home prices rose more than 2 percent and pushed the first quarter average 5 percent above a year earlier. Meats led the way with a 6 percent increase. Prices of most other food groups also went up although egg and beverage prices declined slightly. Most of the rise in prices occurred in February. In March the rate of advance subsided.

Change in retail food prices, first quarter, 1972

Item	From fourth quarter 1971	From first quarter 1971
	Percent	*Percent*
Meat	5.9	10.1
Poultry	1.6	3.5
Fish	2.8	7.9
Dairy products	.8	2.5
Eggs	-1.1	-8.9
Fats and oils	.4	4.6
Fruits and vegetables	2.3	8.3
Sugar and sweets	.4	2.3
Cereal and bakery products	.2	1.4
Beverages	-.2	-1.0
Other preparations	.6	2.2
Food at home	2.2	5.0
Food away from home	.6	4.1
All food	1.8	4.7

Part of the quarterly rise for some items was seasonal but strong demand and smaller supplies of meats also contributed. Higher farm prices accounted for much of the increase but the marketing margin rose sharply in February and March as retailers regained some of the margins lost last fall.

Prices of food away from home deviated from past patterns and advanced considerably less than grocery store prices. After rising slowly in January and February, away-from-home prices jumped again in March (table 18).

Food Prices and the Wage-price Freeze

Since August when wage-price ceilings were imposed, retail food-at-home prices have advanced 2 percent. Prices of nonfood goods and services have increased 1½ percent. During the same period a year earlier when red meat supplies were rising, prices of food at home moved up less than ½ percent and nonfood prices rose 3 percent. Most of the increase in food prices since the beginning of the freeze has been due to the increase in meat prices. In March, retail prices for poultry, eggs, fruits and vegetables (seasonally adjusted) and beverages were lower than in August.

Dairy products, cereal and bakery products, and sugar and sweets were slightly above the August level.

Outlook

The climb in retail food prices will ease some from the sharp increases earlier this year. Some further increases this summer may be partly offset by some small decreases in the fall. Grocery store food prices for the year will likely average about 4 percent above a year ago, the result of continued strong demand and a leveling of the per capita food supply.

Livestock food prices will rise seasonally in late spring and summer and then may slip in late fall as supplies of some products reach seasonal peaks. Beef prices may edge lower this spring and then hold

Table 1.--Consumer, wholesale, and farm price indexes, 1971-72
(1967=100)

Item	1971					1972 I	
	I	II	III	IV	Year	Index	Percent change 1971-72
							Pct.
Retail prices: 1/							
All goods and services (CPI)	119.5	120.8	122.0	122.7	121.3	123.7	3.5
All items less food	120.4	121.6	122.7	123.7	122.1	124.2	3.2
All food	116.1	118.4	119.6	119.4	118.4	121.6	4.7
Food at home	114.1	116.6	117.7	117.2	116.4	119.8	5.0
Food away from home	123.9	125.3	127.1	128.2	126.1	129.0	4.1
Wholesale prices: 1/							
All commodities	112.5	113.8	114.7	114.8	113.9	117.0	4.0
Industrial commodities	112.5	113.6	114.9	115.1	114.0	116.4	3.5
Farm products	111.9	114.3	112.4	112.8	112.9	119.4	6.7
Processed food	113.7	115.4	116.9	116.6	115.6	120.2	5.7
All food 2/	113.9	115.9	115.8	116.6	115.5	119.7	5.1
Prices received by farmers: 3/							
Crops	105	111	108	108	108	110	4.8
Livestock and products	114	114	116	119	116	129	13.2
Average	110	112	112	114	112	121	10.0
Market basket of U.S. farm foods: 4/							
Retail cost	112.6	115.1	116.6	115.9	115.1	119.1	5.8
Farm-retail spread	113.3	116.4	117.6	116.1	116.0	117.6	3.8
Farm value	111.5	113.2	115.1	115.6	113.8	121.6	9.1

1/ Department of Labor, Bureau of Labor Statistics.

2/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.

3/ Statistical Reporting Service.

4/ Economic Research Service.

generally steady in the second half of the year reflecting higher production and imports. However, beef prices will continue substantially above 1971. Pork prices, which were depressed most of last year, rose in the fall and winter, but dipped in early spring. However, further rises are expected into summer as supplies decline seasonally. Pork prices will drop in the fall but are expected to remain well above the same period of 1971. Dairy price changes will depend largely on changes in farm-retail margins since farmers' prices for milk may rise only slightly. Egg prices may strengthen considerably in summer and fall, averaging moderately above the low levels of last year and early this year.

Although more broiler meat will be around during the summer and fall reduced pork supplies, increased consumer disposable income, and higher prices for red meats probably will keep broiler prices above last year. Fish prices will continue upward as domestic demand continues strong and supplies remain tight.

Retail prices of food derived from crops will rise seasonally this spring and in early summer, then drop seasonally in the fall. Ample supplies of citrus and apples may limit fresh fruit prices to seasonal increases this spring and summer before new crops are harvested and prices decline seasonally. Fresh vegetable prices will remain seasonally high this spring and then dip again in summer. Processed fruits and vegetables will continue well above last year's level.

Prices of vegetable oil products will increase in 1972, but at a slower pace than the rapid rise last year when domestic and export demand for edible oils was very strong.

Prices by Food Group

Retail prices of foods derived from livestock rose almost 3½ percent from the fourth quarter of 1971 to the first quarter of 1972 and were 6 percent over a year ago. In contrast, the quarter-to-quarter rise for food derived from crops was 1 percent, largely seasonal. Crop food prices were 4 percent above a year ago.

Beef and Veal.—Retail prices for beef and veal averaged 12 percent higher than a year ago and 6 percent above the fourth quarter. Slightly larger per capita supplies were offset by increased demand and smaller supplies of pork. Farm prices for the quarter were up sharply. In addition the marketing margin widened significantly, particularly in February and March.

Pork.—Pork prices advanced almost 8½ percent from the fourth quarter, and reflecting smaller supplies, were 11 percent above the depressed levels of a year earlier. Much of the increase was caused by a sharp advance in hog prices. The farm-retail spread averaged slightly lower than in the fourth quarter and 9 percent below a year ago.

Poultry and Eggs.—Both egg and poultry prices continued weak in the first quarter. Egg prices, which normally go up, were down slightly, and averaged almost 9 percent below a year ago. The decline reflected plentiful supplies caused partly by use of Marek's Disease vaccine in flocks. Retail poultry prices were up a little less than 1½ percent from the fourth quarter, less than the normal seasonal increase. For the quarter they averaged 3½ percent above a year ago.

Fish.—Retail prices were up almost 3 percent from the fourth quarter last year, far exceeding the normal seasonal increase. There was continued strong demand and a restricted supply situation resulting in part from the worldwide shortage of fish supplies. In addition, marketing margins are moving higher as sellers compensate for the narrowing of margins last fall.

Dairy.—Dairy prices averaged 2½ percent above a year ago in the first quarter, significantly below the increase for other livestock products. Higher prices for cheese, fluid milk and evaporated milk accounted for most of the gain.

Fruits and Vegetables.—Fresh fruit and vegetable prices were 8 percent above a year ago. Commercial vegetables were up sharply and potato prices were 3 percent above last year's depressed levels. Fresh fruit prices also were up significantly from a year ago despite the forecast of a record orange crop. Prices of both oranges and grapefruit have been running well above early 1971 levels. Prices of processed fruits and vegetables were 6 percent above a year ago with 16 percent higher prices of frozen orange juice and 20 percent higher dry bean prices accounting for much of the increase.

Other Commodities.—Fats and oils moved up only fractionally from the fourth quarter, but were still almost 5 percent above a year ago. The recent easing in prices is partly the result of lower exports which have increased the availability of supplies for domestic use. Beverage prices fell from the fourth quarter, reflecting lower coffee prices. Cereal and bakery products advanced fractionally from the fourth quarter.

Wholesale Prices

The Wholesale Price Index for all foods in the first quarter advanced 3 percent from the fourth quarter, a third of which was seasonal. The index is now 5 percent above last year. In contrast, industrial commodity prices were up 1 percent from the fourth quarter, and almost 3½ percent above a year ago.

Most of the rise for food came in February; prices dropped more than seasonally in March as wholesale beef and pork prices followed a downturn in live animal prices (table 17). In April, the index went down further. Wholesale prices of fresh fruits and vegetables started the year nearly 8 percent above a year earlier, but a decrease in March pulled prices down to a level 10 percent below March 1971. Poultry prices were up from the fourth quarter, but only 2 percent above last year's level. Eggs were considerably below last year. Prices of processed fruits and vegetables were 4.3 percent higher than in March a year ago.

FOOD SPENDING AND INCOME

Food expenditures in the first quarter of 1972 advanced 1.3 percent from the fourth quarter on a seasonally adjusted basis (table 2). At this level, food spending was 4 percent above a year ago. Quarter-to-quarter increases for food away from home were about the same as for food at home, but compared with a year ago expenditures for meals eaten out rose more than twice the pace for food at home.

Changes in food expenditures, first quarter, 1972[1] (Seasonally adjusted)

Item	From fourth quarter 1971	From first quarter 1971
	Percent	*Percent*
Total food		
Current dollars	1.3	3.9
1958 dollars	-.6	-1.0
Food at home		
Current dollars	1.3	3.2
1958 dollars	-.9	-1.6
Food away from home		
Current dollars	1.4	6.8
1958 dollars	.4	2.3

[1] Preliminary.

The first quarter increase for food at home was due entirely to higher prices, since constant dollar expenditures dropped 1 percent. In contrast food away from home, adjusted for changes in the price level, rose slightly from the fourth quarter and more than 2 percent from a year earlier.

Total personal consumption expenditures (current dollars) rose more briskly than food expenditures, increasing 2 percent in the first quarter. Durables increased fastest primarily because of the advance for furniture and household equipment. Expenditures for services also advanced faster than total expenditures. Nondurables rose 1.3 percent, the same rate as for food.

Personal income increased 2½ percent for the quarter, mostly due to increases in wages and salaries. Higher Federal income tax withholding rates, however, held increases in disposable personal income to under 1½ percent.

Since the increase in consumption expenditures exceeded the rise in disposable income, the rate of savings declined for the third successive quarter. The savings rate for the first quarter of 1972 was just under 7½ percent, considerably below the 8 percent average for 1971.

As disposable income rose more rapidly than food expenditures, the share of the Nation's income allocated to food declined to 15.8 percent in the first quarter, down from 16.1 percent a year ago.

Consumption expenditures and retail sales: Changes from previous quarter (Seasonally adjusted)

Item	1971			1972
	II	III	IV	I[1]
	Pct.	*Pct.*	*Pct.*	*Pct.*
Personal consumption expenditures	1.9	1.7	1.3	1.9
Durables	2.6	3.7	.8	3.3
Nondurables	1.7	.9	1.1	1.3
Food	1.4	.8	.4	1.3
Other	1.9	.9	1.6	1.2
Services	2.0	1.9	1.6	2.1
Retail sales	2.5	2.6	1.8	-.4
Food group[2]	1.4	.3	-.1	.3
Grocery stores	1.5	.6	-.2	.5

[1] Prelimary. [2] Does not include eating places.

Personal income, outlays and savings: Changes from previous quarter (Seasonally adjusted)

Item	1971			1972
	II	III	IV	I[1]
	Bil. dol.	*Bil. dol.*	*Bil. dol.*	*Bil. dol.*
Personal income	19.9	11.2	12.1	23.2
Personal tax and nontax payments	2.2	2.2	5.7	12.5
Disposable personal income	17.6	8.9	6.5	10.7
Personal outlays	12.7	11.6	8.4	13.2
Personal saving	5.0	-2.6	-2.0	-2.5

[1] Preliminary.

Outlook

Disposable income may rise close to 7½ percent in 1972. Expenditures for food will rise less rapidly, perhaps averaging 5½ percent above last year. The 4 to 4½ percent increase in food prices will account for most of the gain. However, food expenditures in constant dollars will also be up slightly, primarily reflecting increases in the population. Per capita consumption is expected to be about the same as last year.

Food Programs

Participation in USDA food programs remained relatively stable in the first quarter compared with the fourth quarter of 1971. Participation in the Food Stamp Program edged up slightly but was offset by slightly less participation in the Family Food Distribution Program.

Table 2.--Expenditures for food in relation to disposable income, 1960 and 1965-72 1/

Year	Disposable personal income	Personal consumption expenditures for food 2/					
		For use at home 3/		Away from home 4/		Total	
		Amount	Percentage of income	Amount	Percentage of income	Amount	Percentage of income
	Bil. dol.	Bil. dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.
1960	350.0	56.8	16.2	13.3	3.8	70.1	20.0
1965	473.2	69.3	14.6	16.5	3.5	85.8	18.1
1966	511.9	73.8	14.4	18.2	3.6	92.0	18.0
1967	546.3	74.5	13.6	19.4	3.6	93.9	17.2
1968	591.0	79.0	13.4	20.7	3.5	99.7	16.9
1969	634.2	84.2	13.3	21.9	3.4	106.1	16.7
1970	687.8	90.6	13.2	23.4	3.4	114.0	16.6
I	667.6	89.0	13.3	22.8	3.4	111.8	16.7
II	685.7	90.2	13.2	23.4	3.4	113.6	16.6
III	696.2	90.8	13.0	23.5	3.4	114.3	16.4
IV	701.5	92.5	13.2	23.9	3.4	116.4	16.6
1971	741.3	93.8	12.7	24.5	3.3	118.3	16.0
I	722.0	92.5	12.8	24.0	3.3	116.5	16.1
II	739.6	93.9	12.7	24.2	3.3	118.1	16.0
III	748.5	94.6	12.6	24.4	3.3	119.0	15.9
IV	755.0	94.2	12.5	25.3	3.3	119.5	15.8
1972 5/	765.7	95.4	12.5	25.6	3.3	121.0	15.8

1/ Quarterly data are seasonally adjusted annual rates. 2/ Derived from data of Department of Commerce, Survey of Current Business and The National Income and Product Accounts of the United States, 1929-65, assuming one-fourth of purchased meals and beverages is alcoholic beverages and the balance of reported alcoholic beverages is for off-premise use (consistent with 1963 Census of Business Merchandise Line Sales). Omits alcoholic beverages, food donated by Government agencies to schools and needy persons, and non-personal spending for food such as business purchases of meals, food furnished inmates of hospitals and institutions, and food included with transportation tickets and camp fees. 3/ Includes food consumed on farms where produced. 4/ Includes food served to the military and employees of hospitals, prisons, and food service establishments. 5/ Preliminary.

Table 3.--Federal cost of USDA food programs, 1969-72 1/

Year	Food stamps		Food distribution 3/				Child nutrition 5/				Total 6/
	Total issued	Bonus stamps 2/	Needy families	Supplemental food 4/	Schools	Institutions	School lunch	School breakfast	Special food	Special milk	
	Million dollars										
1969	703	272	256	4	256	24	227	8	5	100	1,152
I 7/	163	69	67	8/	84	8	67	2	8/	31	328
II	171	64	60	1	43	7	51	2	1	26	255
III	178	68	64	1	37	5	26	1	2	12	216
IV	190	71	66	2	92	4	83	3	1	31	353
1970	1,926	1,104	300	12	271	26	353	14	25	96	2,200
I	287	153	75	2	102	6	94	4	2	32	469
II	433	258	78	3	34	8	79	4	3	26	493
III	536	315	76	4	36	7	40	1	19	10	509
IV	670	377	70	4	99	6	139	6	2	28	730
1971	3,059	1,691	308	15	284	25	595	21	31	92	3,062
I	740	410	85	4	109	6	185	7	3	30	839
II	758	418	77	4	35	6	150	5	5	23	723
III	764	424	74	4	36	6	57	2	18	10	633
IV	796	439	72	3	104	6	203	7	4	29	868
1972											
I	847	462	75	3	116	6	255	8	4	31	960

1/ Totals may not add due to rounding.
2/ Includes Food Certificate Program.
3/ Cost of food delivered to State distribution centers.
4/ Includes special food services for preschool and school age children in nonprofit institutions.
5/ Money donated for local purchase of food. Excludes nonfood assistance.
6/ Excludes those food stamps paid for by the recipient.
7/ Estimated.
8/ Less than 0.5 million.

Compared with the first quarter last year Food Stamp participation was 11 percent higher while participation in the Food Distribution Program fell 8 percent. Milk distributed under the special milk program was near the levels of last year.

Participation increased 4 percent from the fourth quarter, but the total value of food stamps distributed rose more than 6 percent. The value of bonus stamps went up about 5 percent from the fourth quarter and totaled 13 percent higher than a year earlier.

The cost of food distributed through the Food Distribution Program was up from the fourth quarter of 1971 but was nearly the same as in the first quarter last year. Needy families received slightly less but schools received slightly more (Table 3).

Perhaps the most significant change was the increase of one-third in money assistance to the school lunch program between January-March 1971 and the same period this year. This increase was due to increased participation, an increase in the percent of free and reduced price lunches, and an increase in the Federal payment to schools per lunch effective July 1, 1971.

PER CAPITA FOOD CONSUMPTION

Per capita food consumption in 1972 is expected to remain at last year's record level (table 4). A slight increase for crop foods may balance a small decline for livestock food products. Red meat supplies will likely be near the record levels of last year with increased beef supplies about offsetting reduced supplies of other meats. Consumption of poultry, processed vegetables, and potatoes, will probably increase while declines are expected for fats and oils, fresh produce, processed fruit, and coffee.

First quarter declines of 1 percent for red meat and half a percent for dairy products overshadowed a 3 percent advance for poultry meat and 2 percent more eggs. Consumption of livestock food products in total declined nearly half a percent from year-ago rates (table 5).

Red meat consumption in the April-June quarter may be a little larger than in the second quarter of last year. In the second half of the year consumption may average slightly lower than in 1971. Consumption of chicken is expected to continue higher throughout the year and dairy product use slightly lower. Per capita egg supplies have been higher in the first quarter than a year ago but will likely be under 1971 levels the second half of the year.

The 4½ percent drop in per capita consumption of total livestock products from fourth quarter 1971 was almost entirely due to the normal seasonal change in the consumption pattern. However, there was variation by commodity group.

Seasonally adjusted, per capita consumption of meat and dairy products each declined about 1 percent while poultry use rose substantially. The 31 percent drop historically expected for poultry consumption between the fourth and first quarter has been narrowing markedly in recent years; this year actual consumption dropped only 24 percent.

Per capita food consumption indexes, seasonally adjusted

Period	Total livestock	Meat
	1967=100	
1970 I	101.1	101.3
II	101.0	102.9
III	102.8	104.7
IV	103.8	107.9
1971 I	103.7	106.2
II	103.2	108.2
III	105.1	109.2
IV	103.4	106.0
1972 I	103.3	105.0

Food Product Review

Meat—Red meat consumption in the first quarter averaged slightly below the 47.5 pounds consumed per person in January-March 1971. Beef consumption was up a little, but pork, veal, and lamb consumption fell Pork accounted for most of the decrease.

Beef consumption in 1971 totaled 113.1 pounds per person, slightly less than in 1970 (table 6). This year, first quarter consumption was up because of a small increase in production and larger beef imports. Both production and imports are expected to continue larger this spring and summer than a year earlier.

Veal consumption dropped again in 1971 and a further decline is underway this year. Consumption in the first half of 1972 probably will be down a tenth and continued sizable reductions are likely in the second half.

Pork consumption rose to 73 pounds per person in 1971, the highest level in more than 20 years. However, pork consumption dropped below a year earlier in the fall of 1971 and then continued lower in the winter. Pork consumption will remain moderately under year-earlier rates for the balance of 1972.

Lamb consumption in 1971 dropped slightly to 3.1 pounds per person; a sharper decline is exepcted this year. Lamb output in the first quarter was down 7 percent and production likely will continue below a year earlier through the balance of the year.

Fishery products[1].—Per capita consumption of edible fish and shellfish was 11.2 pounds in 1971 compared with 11.8 pounds in 1970. The fresh and frozen category was off 0.4 pound while consumption of canned fishery products declined 0.2 pound.

Limited supplies and steeply rising prices caused the reduced consumption. Both domestic production and

[1] Prepared from material submitted by the National Marine Fisheries Service, Department of Commerce.

Table 4.--Per capita food consumption index, 1960-72 1/
(1967=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy products 2/	Fats and oils			Fruits 3/		
						Animal 2/	Vegetable	Total	Fresh	Processed	Total
1960	92	75	95	104	106	123	81	96	111	95	103
1961	92	82	99	101	104	125	78	95	107	92	99
1962	93	81	98	101	105	123	81	96	102	96	99
1963	96	82	99	98	104	119	85	97	93	88	90
1964	98	84	97	98	104	116	90	99	98	85	91
1965	94	89	101	97	103	111	92	99	100	90	95
1966	96	96	100	97	102	99	102	101	100	90	95
1967	100	100	100	100	100	100	100	100	100	100	100
1968	103	99	102	99	101	103	104	103	98	97	97
1969	102	103	102	98	100	95	110	105	98	102	100
1970	104	108	109	99	99	91	116	107	101	103	102
1971 4/	107	109	103	99	99	87	115	105	101	106	104

	Vegetables 5/			Potatoes and sweetpotatoes		Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food		
	Fresh	Processed	Total	Fresh	Processed				Animal products	Crops 6/	Total
1960	107	84	99	129	56	103	98	100	95.7	97.1	96.4
1961	104	85	98	127	59	102	98	102	95.8	96.4	96.0
1962	102	89	97	121	64	101	99	102	96.2	96.5	96.3
1963	101	89	97	124	69	100	99	105	97.3	95.9	96.6
1964	100	91	97	113	76	101	99	102	98.8	96.4	97.6
1965	100	95	98	105	86	101	99	99	96.9	97.6	97.2
1966	98	97	98	106	98	99	100	99	98.1	98.6	98.3
1967	100	100	100	100	100	100	100	100	100.0	100.0	100.0
1968	99	104	100	101	106	101	103	100	101.5	101.1	101.2
1969	99	104	101	94	118	101	104	97	101.2	102.0	101.5
1970	99	104	101	92	121	98	106	94	102.4	102.9	102.7
1971 4/	98	104	100	89	125	99	106	93	103.9	102.9	103.4
1972 7/									103.7	103.2	103.4

1/ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. Data for earlier years are given in the 1970 Supplement to Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, November 1971. 2/ Includes butter. 3/ Excludes melons and baby food. 4/ Preliminary. 5/ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes. 6/ Includes melons, dry beans and peas, nuts, soup, and baby food in addition to groups shown separately. 7/ Preliminary indications.

Table 5 .--Livestock products: Per capita consumption indexes, quarterly, 1969-72 1/
(1967=100)

Year and quarter	Meat	Poultry	Eggs	Dairy products: Excluding butter	Dairy products: Including butter	Animal fats including butter	Total livestock products 2/
1969 I	102.9	85.2	99.4	98.2	98.7	100.7	99.3
II	99.5	97.3	97.0	102.8	102.2	88.1	99.7
III	102.7	106.9	96.9	100.6	100.1	95.6	101.9
IV	103.7	123.5	99.1	99.2	99.2	95.2	103.8
1970 I	101.5	91.8	98.9	98.6	98.7	99.4	99.3
II	100.8	102.1	96.5	100.3	99.4	83.7	99.9
III	104.8	113.2	97.4	100.1	99.7	86.1	103.1
IV	109.7	124.5	101.0	97.7	97.8	95.8	106.5
1971 3/ I	106.4	93.6	98.9	98.5	98.6	94.9	101.8
II	106.0	100.7	98.6	99.6	98.7	81.1	102.1
III	109.3	114.7	98.7	100.0	98.6	82.4	105.4
IV	107.8	127.1	101.0	99.1	99.2	90.6	106.1
1972 3/ I	105.2	96.3	100.6	98.6	98.2	89.1	101.4

1/ Civilian consumption only. Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combined in terms of average 1957-59 retail prices. Data since 1955 are in the 1970 Supplement to Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, November 1971. 2/ Excludes fish and honey. 3/ Preliminary.

Table 6.--Civilian per capita consumption of major food commodities (primary distribution weight) and civilian population, 1960 and 1967-71 1/

Commodity	1960	1967	1968	1969	1970	1971	1971 as percentage of 1970
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Percent
Meats (carcass weight)	160.9	178.3	183.2	182.5	186.3	191.8	103
Beef	85.1	106.5	109.7	110.8	113.7	113.1	99
Veal	6.1	3.8	3.6	3.3	2.9	2.7	93
Lamb and mutton	4.8	3.9	3.7	3.4	3.3	3.1	94
Pork (excluding lard)	64.9	64.1	66.2	65.0	66.4	72.9	110
Fish (edible weight)	10.3	10.6	11.0	11.2	11.8	11.2	95
Poultry products:							
Eggs (farm basis)--Number	335	324	321	318	319	322	101
Chicken (ready-to-cook)	28.1	37.2	37.5	39.1	41.4	41.6	100
Turkey (ready-to-cook)	6.1	8.6	7.9	8.3	8.2	8.5	104
Dairy products:							
Cheese	8.3	10.1	10.6	11.0	11.5	12.2	106
Condensed and evaporated milk	13.7	9.0	8.9	7.9	7.1	6.8	96
Fluid milk and cream (milk equivalent)	322	285	280	272	264	259	98
Ice cream (product weight)	18.3	17.8	18.4	18.0	17.7	17.7	100
Fats and Oils--Total, fat content	45.3	49.4	51.2	51.9	53.3	52.2	98
Butter (actual weight)	7.5	5.5	5.7	5.4	5.3	5.1	96
Margarine (actual weight)	9.4	10.5	10.8	10.8	11.0	11.1	101
Lard	7.6	5.4	5.6	5.1	4.7	4.3	91
Shortening	12.6	15.9	16.3	17.1	17.3	16.8	97
Other edible fats and oils	11.5	15.1	16.0	16.8	18.2	18.1	99
Fruits:							
Fresh	93.4	80.9	78.3	79.0	81.0	80.4	99
Citrus	33.7	31.6	26.3	28.3	28.6	29.3	102
Apples (commercial)	18.3	16.2	15.7	15.1	18.1	16.0	88
Other (excluding melons)	41.4	33.1	36.3	35.6	34.3	35.1	102
Processed:							
Canned fruit	22.6	22.6	21.9	24.2	23.2	22.0	95
Canned juice	13.0	11.7	12.2	14.6	14.0	15.5	111
Frozen (including juices)	9.1	10.1	9.4	9.3	9.8	10.2	104
Dried	3.1	2.8	2.8	2.7	2.7	2.9	107
Vegetables:							
Fresh 2/	105.9	98.1	98.7	98.9	98.9	97.3	98
Canned, excluding potatoes and sweetpotatoes	43.4	48.9	50.5	51.3	50.9	51.3	101
Frozen, excluding potatoes	7.0	9.0	9.6	9.1	9.7	9.1	94
Potatoes, fresh equivalent	108.4	111.5	115.8	117.5	118.4	120.6	102
Sweetpotatoes, fresh equivalent	7.1	5.8	5.7	5.8	5.7	5.1	89
Grains:							
Cornmeal and flour	6.6	7.2	7.4	7.4	7.4	7.4	100
Corn sirup	10.1	14.1	14.8	15.4	16.0	16.2	101
Corn sugar	3.7	4.6	4.7	4.9	4.9	5.2	106
Wheat flour 3/	118	112	112	112	110	110	100
Wheat cereals	2.8	2.9	2.9	2.9	2.9	2.9	100
Rice, milled	6.1	7.5	7.9	8.3	6.7	7.6	113
Other:							
Coffee (green beans)	15.8	14.8	14.9	14.2	13.8	13.3	96
Tea	.59	.69	.73	.73	.72	.77	107
Cocoa beans	3.6	4.2	4.3	3.9	3.9	4.0	103
Peanuts (shelled)	4.9	5.7	5.8	5.9	5.9	6.0	102
Dry edible beans	7.3	6.9	6.3	6.8	5.9	6.0	102
Melons	25.8	22.4	22.4	23.1	23.3	21.7	93
Sugar (refined)	97.6	97.3	100.1	100.1	102.5	102.0	100
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Percent
Civilian population 4/	178.1	195.2	197.0	199.1	201.6	204.2	101

1/ Quantity in pounds, except for eggs. Data on calendar year basis except for dried fruits, which are on pack-year basis, fresh citrus fruits and peanuts on a crop-year basis, and rice on August 1 year. Fresh citrus year begins in previous October and rice year begins in previous August.

2/ Commercial production for sale as fresh produce.

3/ Includes white, whole wheat, and semolina flour.

4/ July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

imports of edible fish were off about 4 percent in 1971, but larger beginning stocks held the decline in total U.S. supplies to only 2 percent.

The tight supply situation will continue in 1972. Lower landings are anticipated for flounder, cod, haddock, salmon, and pollock. U.S. landings are not likely to compensate for an estimated decline in imports of fillets. As world resources of groundfish become more scarce, foreign suppliers are finding it more profitable to ship fish blocks rather than fillets to the U.S. for use in the production of sticks and portions. Supplies of canned salmon are likely to be lower in 1972 while supplies of tuna may increase slightly.

The fish and chips franchise operations have been the fastest growing segment of the U.S. fisheries market in recent years. Sales in this area were off in 1971. Declining availability of cod, the traditional favorite in sticks and portions, led to sharply rising raw material costs. Consumer resistance to price increases led sticks and portions producers to cut back on production for the first time since 1967.

Poultry.—Per capita poultry meat supplies are expected to be 2 to 3 percent larger than in 1971. Chicken supplies may be up more than a pound over the record 41.6 pounds consumed per person last year. Output in the first half will be up sharply from a year ago, but in the second half only slightly higher. Turkey consumption likely will increase slightly over the 8.5 pounds per person last year.

Eggs.—Continued ample supplies of eggs are expected in coming weeks though output likely will taper off and dip below last year during the summer and fall. Per capita consumption this year likely will be around 320 eggs per person, down slightly from 1971.

Dairy products.—Per capita consumption of milk in all uses for the year is expected to average slightly less than the 558 pounds consumed per person in 1971. Decreases for butter, evaporated milk, and fluid whole milk will more than offset expected increases for cheese. Per capita consumption of some low-fat products—cottage cheese and low-fat fluid milk—likely will continue up, while use of nonfat dry milk may show little change.

Stocks of dairy products on March 1 amounted to 4.8 billion pounds milk equivalent, down about a fifth from a year earlier. Nearly all of the drop was in government butter holdings, which were reduced by large CCC export sales.

Fats and oils.—After gaining nearly 2 percent annually in the past 10 years, per capita consumption of edible fats and oils dropped a pound in 1971 and may register a slight decline in 1972. Less consumption of shortening and cooking and salad oils accounted for the decline. The strong upward trend of these items had for many years more than offset declines for butter and lard.

Per capita consumption of food fats and oils in 1972 is estimated at about 51½ pounds, half a pound less than last year. Slight declines in most items are expected to account for the drop. Despite some increase in butter supplies, use is expected to be down a little. Total civilian use of shortening and cooking and salad oils is expected to hold near last year's level, resulting in a slight decrease in per capita use. Per capita margarine use is expected to continue up.

Fruit.—Per capita fruit consumption is expected to be slightly under last year's record level. Small reductions are expected for canned and frozen juice. Dried fruit supplies may be down substantially.

The 1971/72 citrus crop, which is still moving to market, is now estimated slightly larger than last year. Though production of oranges is fractionally below last year's large crop, increased juice yield will more than compensate. Both grapefruit and lemon crops are 5 percent larger this year.

On April 1 about half of the 190-million-box orange crop remained for harvest. Most of this is destined for processing and will make up for the smaller quantities in these channels earlier in the season. Sales of frozen concentrate are reported brisk and processor stocks of finished products are below a year ago.

The supply of grapefruit remaining for harvest on April 1 was up 44 percent from the previous year. Fresh sales to date have been slightly higher but use in processing has been down 9 percent. Lemon supplies to be harvested are about 2 percent below a year earlier but for the year both fresh and processed use may be above last season.

Cold storage stocks of apples at the end of February were nearly the same as a year earlier and about 6 percent below the large supplies 2 years ago. Stocks of canned apples are currently below the burdensome quantities of the past 2 years.

Total strawberry acreage for harvest is estimated about 8 percent lower this year than last. Winter production was 9 percent larger, but California spring production, which normally accounts for almost 60 percent of the total crop, is estimated 10 percent smaller. Acreage in other areas also was down.

Western fruit and nut areas were hit by frost during the last week in March. Raisin grapes in California apparently suffered damage. Concern over this damage together with low raisin stocks may result in relatively quick price and consumption reactions. Other fruit items such as dried prunes, canned apricots, and sweet cherries could also be affected. But with stocks of most canned fruits ample, the impact on consumption and prices likely will not be evident until harvest approaches.

Growers expected to plant more melons this year. Spring cantaloupe plantings may be moderately larger and watermelon acreage will be substantially larger.

Vegetables.—The recovery of frozen vegetable use to 1970 levels accounts for a slight increase expected in total vegetable consumption this year. No major change is foreseen in per capita supplies of fresh or canned vegetables.

Winter fresh vegetable production was up slightly, mostly because of a bigger Florida tomato crop which had favorable growing conditions. Harvests of lettuce and other items on the West Coast were delayed and reduced somewhat by cold weather early in the winter.

Processed vegetable supplies are smaller than they were at this time last year. Canners' stocks are down a little and frozen vegetable stocks are the lowest since 1966. Intentions reports for 8 major processing vegetables indicate 3 percent more acreage this year. In addition, a 9 percent larger tonnage of kraut cabbage is likely. With average yields, a moderately larger total vegetable pack is in prospect—sufficient to replenish stock levels and permit a slight increase in per capita consumption.

Potato stocks are only slightly less than the record supply a year earlier. Movement through table stock and chipping channels has been lagging, except in Idaho. The western crop moved well so that Russet supplies are not excessive for current demands. A 3 percent acreage cut is planned for the important late summer and fall crops. Intended acreage for harvest in late spring and early summer is off 9 percent. Thus, by fall potato supplies may be less burdensome on the market than in several years.

Supplies of dry beans are the lowest in recent history. Last fall's crop was the smallest since 1967. This year, growers intend to increase acreage 7 percent, mostly in the white bean producing areas but also in California where limas are important. This will bring bean production near the average of the late 1960's.

SUGAR AND TROPICAL PRODUCTS

Sugar

Consumption remains high

Per capita consumption of refined sugar totaled about 102 pounds last year, remaining at the high rate of 1970. Sugar deliveries (physical basis) this year will probably exceed last year's 11.4 million tons (raw value). In the first quarter deliveries were 2.63 million tons, 52,000 tons higher than in the same quarter last year and about in line with population increases.

Early this year, strong demand in the domestic market caused the U.S. price to rise above the price objective of the U.S. Sugar Act. Consequently, sugar requirements for 1972 were boosted to 12.0 million tons. This level if maintained throughout 1972 would mean that inventories will increase or per capita disappearance will substantially exceed the 102 pound level of last year.

Sugar use and delivery trends mixed

Deliveries totaled 10.6 million tons in 1971, about the same as in 1970. Reported deliveries to canned and frozen fruit and vegetable processors increased 11 percent in 1971 while deliveries to cereal and bakery products manufacturers were down nearly 8 percent (table 7).[1] The small increase for beverages contrasted with the large jump in 1970. The 1972 change for soft drinks will likely be a major factor in the total use of sugar this year.

The changes in the form of sugar deliveries also varied between 1969 and 1971 (table 8). Liquid deliveries declined slightly last year after trending upward for several years. Bulk dry sugar maintained its upward trend as industrial users continue to shift away from large packages. Use of consumer packages increased for the second consecutive year, but remained below the 1965 level.

Trends in supply sources

Recent trends in U.S. sugar consumption needs by source of supply together with prospective sources this year are shown in table 9.

Virtually all major supplying areas have larger quotas this year. The only exception is the Philippines; its quota was lowered by the 1971 Amendments to the U.S. Sugar Act. As usual, other changes in area quotas also are likely between now and the end of the year.

World market tightens

The growing tightness of sugar in the world market is being reflected in world price levels. The 1971/72 crop is estimated at 77.5 million short tons, raw value, down 1 million tons from 1970/71. Low and declining stock levels also are contributing to the tight situation. In the first quarter this year the world price of $8.54 per hundredweight (spot raw, f.o.b. Caribbean Ports—including Brazil) was nearly double the $4.53 level in 1971 and the $4.77 level in the first and fourth quarters last year (table 10).

Moreover, the world price adjusted to a New York basis, exceeded the U.S. price in the first quarter by about 50 cents per hundredweight. This is the first time that the world price has been above the U.S. price since May 1964.

High world prices will eventually stimulate some expansion in world sugar production. But there is considerable doubt that the 1972/73 crop can be expanded sufficiently over last season's 77.5 million ton level to maintain the present rate of world consumption. This means that world sugar prices are more likely to rise further from current levels than to decline. Much of the world price picture for the rest of this year depends on the size of the 1972/73 crop.

U.S. sugar prices—up

The U.S. raw sugar price averaged $9.09 per cwt. (New York spot) in the first quarter this year, up 43 cents from the fourth quarter last year (table 10). The

[1] Reported deliveries include some contracts signed late in one year, but not physically delivered until the following year.

Table 7.--Reported refined sugar deliveries by type of use, 1969-71

Type of use	1969	1970	1971
	Thousand tons		
Industrial:			
Beverages	2,100	2,357	2,364
Cereal and bakery products	1,344	1,468	1,356
Confectionery products	1,037	1,106	1,052
Processed foods 1/	916	928	1,029
Dairy products	528	547	556
Other food uses	442	426	496
Nonfood products	72	83	93
Total	6,439	6,915	6,946
Nonindustrial:			
Wholesalers	2,061	2,198	2,160
Retailers	1,193	1,320	1,329
Other	193	188	175
Total	3,445	3,706	3,664
Total	9,884	10,621	10,610

1/ Used in canned and frozen fruits and vegetables, including jams, jellies and preserves.

Source: Sugar Reports

Table 8 .--Reported refined sugar deliveries, by form, 1969-71

Form delivered	1969	1970	1971
	Thousand tons		
Liquid sugar 1/	2,597	2,753	2,716
Bulk dry granulated	2,604	2,952	3,004
Large packages (50 lb. and over)	2,226	2,371	2,280
Total industrial	7,427	8,076	8,000
Consumer packages (less than 50 lb.)	2,457	2,545	2,610
Total	9,884	10,621	10,610

1/ Sugar solids basis.

Source: Sugar Reports.

Table 9.--Sources of sugar supplies, 1970-72

Sources	Charges against quota		1972 2/
	1970	1971 1/	
	Million tons, raw value 3/		
U.S. grown sugar:			
Beet sugar	3,569	3,443	3,500
Cane sugar:			
U.S. mainland shipments	1,308	1,256	1,678
Inshipments from Hawaii and Puerto Rico	1,498	1,230	1,423
Total cane	2,806	2,486	3,101
Total	6,375	5,929	6,601
Imported cane sugar: 4/			
Caribbean Islands	994	961	994
Mexico and Central America	973	932	1,023
South America	1,371	1,348	1,371
Total Western Hemisphere	3,338	3,241	3,388
Philippines	1,298	1,593	1,408
Other Eastern Hemisphere 4/	541	537	603
Total Eastern Hemisphere 4/	1,839	2,130	2,011
Total	5,177	5,371	5,399
Total supply	11,552	11,300	12,000

1/ Preliminary. 2/ Status of quotas and prorations as of March 7, 1972. 3/ 107 tons of sugar, raw value, is equivalent to 100 tons of refined sugar. 4/ Virtually all cane sugar, but includes some beet sugar. (5,351 tons annually).

Source: Sugar Reports.

Table 10.--U.S. sweeteners and beverages: Selected prices, 1971 and 1972

Commodity	1971					1972	
	Year	I	II	III	IV	I	Change from 1971
	Cents per pound 1/						Percent
Sugar							
Raw:							
New York, duty paid	8.52	8.39	8.43	8.60	8.66	9.09	8.4
World, f.o.b. Caribbean	4.53	4.76	4.37	4.19	4.78	8.54	79.4
Quota premium 2/	2.87	2.43	2.90	3.30	2.81	-.52	-121.4
Refined:							
Wholesale							
Northeast, cane 3/	12.48	12.27	12.45	12.60	12.60	12.94	5.5
Chicago-West, beet or cane 3/	11.59	11.57	11.60	11.60	11.60	11.83	2.2
Pacific Coast, beet or cane 3/	11.37	11.27	11.40	11.40	11.40	11.40	1.2
Bulk, dry beet, f.o.b. plant 4/	10.28	10.20	10.36	10.30	10.24	10.29	.9
Retail:							
U.S. 5-pound package	13.61	13.43	13.56	13.69	13.74	13.82	2.9
Corn sweeteners							
Wholesale, Chicago:							
Corn sirup 4/	6.43	7.36	7.16	6.15	5.07	4.65	-36.8
Dextrose 4/	9.97	9.95	9.98	9.98	9.98	10.00	.5
Cocoa and chocolate							
Wholesale, New York:							
Cocoa beans, "Accra"	26.8	28.3	26.3	28.1	24.5	26.9	-4.9
Cocoa butter	54.2	54.8	52.6	58.3	51.5	60.9	11.1
Retail: U.S.							
Chocolate bar (1-oz.)	6.70	6.70	6.70	6.70	6.70	6.70	---
Chocolate sirup (16-oz. container)	25.5	25.6	25.6	25.5	25.4	25.5	-.4
Coffee							
Wholesale, green, New York							
Colombian, Manizales	50.2	52.5	49.5	48.6	50.3	51.5	-1.9
Mexican washed	46.3	46.2	46.3	46.1	46.5	46.5	.6
Brazilian, Santos No. 4	46.1	52.7	44.2	43.2	44.3	44.9	-14.8
Robusta, Ambriz No. BB	43.0	43.3	42.9	42.7	42.9	42.5	-1.8
Retail, U.S.							
Roasted, can	93.4	94.8	93.4	92.7	92.6	92.1	-2.8
Roasted, bag	78.8	82.0	80.7	78.6	73.9	73.1	-10.9
Instant soluble, 6-oz. jar	109.3	108.5	109.1	109.8	109.9	110.2	1.6
Tea							
Wholesale, black tea:							
New York	47.2	42.3	48.0	48.6	49.9	51.4	21.5
Retail:							
Package of 48 tea bags	64.5	64.2	64.9	64.9	64.2	64.0	-.3
Soft drinks							
Wholesale, cola drinks (1967=100)	123.7	123.7	123.7	123.7	123.7	124.2	.4
Retail							
Cola drinks (6 12-oz. bottles)	75.8	74.6	75.6	76.3	76.6	82.8	11.0
Carbonated fruit drink (6 12-oz. bottles)	72.6	71.5	72.6	73.0	73.2	72.6	1.5

1/ Except as noted. 2/ Difference between New York and world prices, adjusted to exclude about 1 cent for duty computed freight from Greater Caribbean ports (including Brazil), insurance, and unloading charges. 3/ Basis price, 100 lb. paper bags, carload lots. 4/ Carload lots, dry basis.

Source: Sugar prices from Sugar Reports; wholesale cocoa and cocoa butter prices from Journal of Commerce; all other data from Bureau of Labor Statistics.

boost in raw sugar prices lifted reported wholesale prices of refined sugar. Retail sugar prices averaged 13.8 cents a pound (5-pound package), up 3 percent from a year ago.

For the year, both wholesale and retail refined sugar prices may creep upward. For raw sugar the price picture is less clear. The present 12 million ton (raw value) estimate of consumption requirements appears ample enough to forestall any further precipitious rise in U.S. raw sugar prices. In fact the price of raw sugar dropped to $8.70 in early May.

Coffee

Consumption down

Per capita coffee consumption totaled 13.3 pounds (green bean basis) last year, down from 13.8 pounds in 1970 (table 6). Since 1960 coffee consumption has declined more than 15 percent.

Larger coffee crop

The fourth estimate of the 1971/72 (July-June) world coffee crop by the Foreign Agricultural Service is 71 million bags (132.3 pounds each). This is over a fifth larger than the short 1970/71 crop and the largest crop since 1965/66.

Exportable production (total harvested production less estimated domestic consumption in producing countries) may total about 52 million bags this year, up over 30 percent from the 1970/71 crop. World import demand for 1971/72 is expected to approximate 54 million bags, slightly more than exportable production. As a result actual exports may exceed exportable production. If these prospects are realized, the somewhat tight market situation will result in a small drawdown in world stocks. This would be the sixth consecutive year in which world production has fallen short of consumption.

With the 1971/72 coffee crop becoming history, increasing attention is focused on the upcoming crop. The first estimate by FAS will be available in June. Based on incomplete information from trade sources, there is some indication the upcoming crop may approximate the 1971/72 crop. Coffee supplies will be adequate this calendar year though some further drawdown of world stocks may be necessary.

Recent trends in world coffee import demand and production are in table 11.

U.S. Imports up

Recent trends in coffee imports are in table 12.

The increase in imports of green coffee in 1971 largely reflected sharply higher imports from the new Brazilian crop in the last half of 1971.

For 1972, imports of roasted coffee and instant coffee are expected to exceed last year's levels. The outlook for green coffee is uncertain. Although first quarter imports this year exceeded last year's first quarter level by 17 percent, many in the industry are expecting imports to total less than in 1971.

Coffee prices firm

Wholesale prices of green coffee firmed in the fourth quarter last year and continued unchanged into the first quarter this year (table 10). Reported prices of Brazilian coffee were down 15 percent from the first quarter of 1971, but prices of other types were near year-ago levels.

Except for instant coffee, retail coffee prices declined in the first quarter this year. Roasted coffee in 1 pound bags was down 11 percent from a year ago and in the can, 3 percent. Instant coffee prices in the first quarter this year were nearly 2 percent above the first quarter last year. U.S. coffee prices both at wholesale and retail likely will continue near first quarter levels until the size of the upcoming 1972/73 crop is more certain.

Tea

Consumption up—prices steady

Per capita tea consumption totaled 0.77 pound (dry leaf basis) in 1971, a significant jump over 0.72 pounds in 1970. This continues the uptrend begun in the early 1960's. Tea imports of 175 million pounds last year exceeded the previous record of 155 million pounds in 1968. Part of the increase went for increased consumption, the rest to replenish stocks.

Tea imports this year are not expected to exceed last year's 175 million pound record. However, first quarter imports of 40 million pounds were down only fractionally from the first quarter of last year.

Tea prices in the first quarter this year—both wholesale and retail—differed little from last year's fourth quarter (table 10). However, wholesale prices were up over a fifth from a year ago with retail prices nearly the same. For the rest of 1972, retail tea prices probably won't change much from first quarter levels.

Cocoa and Chocolate

Consumption increases

Per capita consumption totaled 4.0 pounds in 1971 (cocoa bean equivalent) up from 3.9 pounds in 1970 (table 6). Consumption since 1961 has fluctuated between 3.8 and 4.2 pounds. Trends in U.S. grindings and imports of semiprocessed and consumer products since 1967 follows.

The sharp decline in total grindings in 1969 reflected the short crop in 1968/69. A further decrease in grindings in 1970 was more than offset by imports of products. In 1971 grindings recovered somewhat as imports of products returned to more normal levels.

For the current year, domestic grindings are again expected to increase. In the first quarter they totaled

Table 11.--Production and consumption of coffee, 1967-71

Crop year beginning July	World imports	Exportable production	World production	Exportable as percent of world production
	Mil. bags 1/	Mil. bags 1/	Mil. bags 1/	Percent
1967	54.0	51.7	68.6	75.4
1968	53.4	43.4	61.1	71.0
1969	54.0	48.2	66.5	72.5
1970	52.8	40.1	58.2	68.9
1971	2/ 53.5	52.0	70.7	73.6

1/ 132.3-pound bag. 2/ Estimated.

Source: Foreign Agricultural Service.

Table 12 .--Imports of coffee, 1967-71

Year	Green beans	Green bean equivalent		Total
		Roasted coffee	Instant coffee	
	Million pounds			
1967	2,820	5	82	2,907
1968	3,359	13	60	3,432
1969	2,677	6	108	2,791
1970	2,609	15	96	2,720
1971	2,866	25	98	2,989

Source: Bureau of the Census.

Grindings of cocoa beans and imports of products (Cocoa bean equivalent)

Year	Imports of products[1]	U.S. grindings	Total
	Million pounds	*Million pounds*	*Million pounds*
1967	188	648	836
1968	214	641	855
1969	203	593	796
1970	230	585	815
1971	211	615	826

[1] Includes consumer and semiprocessed products.

Source: Imports, Economic Research Service; grindings, U.S. Dept. of Commerce.

175 million pounds, 21 percent over the first quarter last year. The first quarter grind was up sharply in anticipation of labor problems in 2 large manufacturing plants. Strikes have thus far been avoided so grind in the second quarter may fall off to allow processors to work down stocks to some extent.

Bean imports up

Cocoa bean imports of 707 million pounds last year were up 13 percent over the level in 1970, continuing the rise from the 1969 trough.

Imports of cocoa beans and cocoa products

Year	Cocoa beans	Cocoa bean equivalent	
		Semi-processed	Consumer products
	Million pounds	*Million pounds*	*Million pounds*
1967	633	173	15
1968	511	194	20
1969	489	181	22
1970	625	207	23
1971	707	190	21

Source: Cocoa bean imports, U.S. Bureau of the Census; other imports, Economic Research Service.

Imports of most semiprocessed and consumer products declined in 1971 but are expected to increase this year. Total imports of beans and products were up 26 percent in the first quarter compared with the same quarter last year. While imports for calendar year 1972 will not continue at this high rate, they will probably be up significantly from 1971.

New crop larger

The third estimate of 1971/72 (October-September) world cocoa production by FAS is forecast at 3.51 billion pounds, a 7 percent increase over the previous record crop of 1970/71.

Expanded supplies and the resulting decline in cocoa prices stimulated larger U.S. and world grindings in 1971, with the increase expected to carry over into 1972. However, world cocoa grindings this calendar year are not expected to equal the anticipated crop. As a result world cocoa bean stocks may increase for the third consecutive year.

Cocoa bean production and prices

Year[1]	World production	New York price, spot "Accra"[2]
	Million pounds	*Cents per pound*
1967/68	2,980	34.4
1968/69	2,723	45.7
1969/70	3,135	34.2
1970/71	3,293	26.8
1971/72	3,513	[3]27.3

[1] Crop year (October-September). [2] Spot price for calendar year following the beginning of the crop year. [3] January-April only.

Source: Foreign Agricultural Service.

Cocoa prices firming

Cocoa bean prices (New York - "Accra") averaged 27 cents in 1971, down from 34 cents in 1970. Both cocoa bean and cocoa butter prices declined in the fourth quarter last year, in response to the record 1971/72 crop. But expanded grindings boosted demand and cocoa bean prices in the first quarter this year. Demand for cocoa butter has strenghtened because of changes in domestic confectionery formulas, and cocoa butter prices (New York spot) increased to 61 cents in the first quarter. This was 11 percent above a year earlier and nearly a fifth higher than the fourth quarter low (table 10). Prospects of expanded world and U.S. grindings will probably prevent much of a decline in bean and butter prices from current levels, despite the record 1971/72 crop.

Retail prices are typically much more stable than cocoa bean and butter prices. The retail price of both the chocolate bar (1-oz.) and chocolate sirup (16-oz. container) remained virtually unchanged through calendar year 1971. Stability continued through the first quarter this year. For the rest of the year, retail prices probably will not change greatly.

SUPPLY AND UTILIZATION

Utilization up in 1971

Total net utilization of farm food commodities rose about 1.8 percent last year compared with a 3 percent increase in 1970 (table 13).[1] Most of the increase came from a 2.6 percent rise in utilization of livestock food commodities, led by a small increase in use for food and a sharp jump in volume of exports. Utilization of crop commodities increased only 1 percent. A 2 percent gain in feed use, and a nearly 3 percent rise in food consumption, was partly offset by a drop of almost 5 percent in the volume of exports.

[1] Net utilization excludes seed and feed uses to avoid duplication in total use.

Table 13.--Livestock, crop, and total farm food commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1965-71 1/

Year	Supply			Total annual utilization	Utilization					
					Domestic use					Exports and shipments 4/
					Food		Non-food		Total	
	Production	Imports 2/	Stocks 3/		Civilian	Military	Seed and feed	Other		
	A.--All food commodities indexes: (1967-100) 5/									
1965	93.8	92.1	105.8	96.3	95.2	90.6	---	102.8	95.4	103.5
1966	92.5	99.7	106.9	98.9	96.8	96.7	---	105.6	97.1	111.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	---	100.0	100.0	100.0
1968	100.3	111.7	109.1	102.1	102.5	97.9	---	101.6	102.3	100.5
1969	100.7	101.2	116.5	102.6	104.3	83.4	---	101.9	103.8	93.3
1970	98.4	105.1	120.7	105.7	105.7	70.3	---	91.6	104.5	114.1
1971 6/	107.9	111.2	111.8	107.5	108.7	61.7	---	88.0	107.1	110.8
	Livestock food commodities (1967=100)									
1965	94.9	71.5	104.0	95.4	94.5	86.1	107.6	103.1	94.7	124.3
1966	96.8	95.0	86.2	97.1	96.7	92.2	113.8	99.7	97.1	100.4
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	100.6	109.3	128.8	102.1	102.2	99.6	96.7	103.1	102.0	106.2
1969	100.9	114.2	112.0	102.6	103.1	85.1	100.0	102.3	102.6	104.2
1970	103.6	125.0	96.8	104.8	105.8	71.6	102.0	96.1	104.7	109.1
1971 6/	106.4	118.9	106.1	107.5	108.8	61.6	101.6	88.6	107.2	121.3
	Crop food commodities (1967=100)									
1965	91.8	97.0	105.7	95.9	96.8	106.9	91.1	102.6	94.8	100.6
1966	92.3	100.5	107.8	103.0	97.0	113.1	104.6	108.4	100.7	113.4
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	101.6	112.1	107.9	102.9	103.0	90.8	105.0	100.8	103.6	99.7
1969	103.8	98.3	116.7	105.3	107.2	76.9	110.2	101.7	107.9	91.7
1970	98.1	100.6	121.8	109.3	105.7	65.4	114.1	89.3	108.1	114.8
1971 6/	112.8	109.5	112.0	110.6	108.7	62.3	117.0	87.7	110.8	109.3
	B.--All food commodities: Percentage of annual utilization 5/									
1965	90.6	9.9	-.5	100.0	82.4	1.8	---	3.0	87.2	12.8
1966	87.0	10.4	2.6	100.0	81.8	1.8	---	2.9	86.5	13.5
1967	93.0	10.3	-3.3	100.0	83.4	1.9	---	2.8	88.1	11.9
1968	91.3	11.3	-2.6	100.0	83.7	1.8	---	2.7	88.2	11.8
1969	91.3	10.2	-1.5	100.0	84.8	1.5	---	2.8	89.1	10.9
1970	86.6	10.3	3.1	100.0	83.5	1.2	---	2.4	87.1	12.9
1971 6/	93.3	10.7	4.0	100.0	84.3	1.1	---	2.3	87.7	12.3
	Livestock food commodities: Percentage of annual utilization									
1965	97.0	2.5	.5	100.0	91.0	2.1	2.3	1.6	97.0	3.0
1966	97.2	3.2	-.4	100.0	91.6	2.2	2.4	1.4	97.6	2.4
1967	97.5	3.3	-.8	100.0	91.9	2.3	2.1	1.4	97.7	2.3
1968	96.0	3.5	.5	100.0	91.9	2.3	2.0	1.4	97.6	2.4
1969	95.9	3.7	.4	100.0	92.2	1.9	2.1	1.4	97.6	2.4
1970	96.3	3.9	-.2	100.0	92.7	1.6	2.0	1.3	97.6	2.4
1971 6/	96.5	3.6	-.1	100.0	92.9	1.3	2.0	1.2	97.4	2.6
	Crop food commodities: Percentage of annual utilization									
1965	86.7	14.7	-1.4	100.0	45.0	.8	31.5	3.5	80.8	19.2
1966	81.0	14.2	4.8	100.0	42.0	.7	33.6	3.5	79.8	20.2
1967	90.4	14.6	-5.0	100.0	44.6	.7	33.1	3.3	81.7	18.3
1968	89.2	15.9	-5.1	100.0	44.6	.6	33.8	3.2	82.2	17.8
1969	89.4	13.6	-3.3	100.0	45.6	.5	34.7	3.2	84.0	16.0
1970	84.1	13.4	5.5	100.0	43.1	.4	34.5	2.7	80.7	19.3
1971 6/	92.3	14.4	-6.7	100.0	43.9	.4	35.0	2.6	81.9	18.1

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Includes essentially all commodities having any U.S. food use. For list of food commodities, see NFS 124 (May 1968) page 15; for comparable data for 1950-64, see NFS 136, (May 1971) pp. 20-22. 2/ Includes shipments from U.S. Territories. 3/ Farm (other than live animals), commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals. 4/ Includes shipments to U.S. Territories. 5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock. 6/ Preliminary.

Total domestic food use increased nearly 3 percent compared with less than 2 percent in 1970. A 3 percent rise in civilian food use was partly offset by a 12 percent drop in military procurement.

Military purchases decline again

The volume of farm food commodities used by the military declined 12 percent in 1971 and was at the lowest level since before World War II. The military share of total utilization shrank from 1.2 to 1.1 percent.

The decline in volume was accompanied by a 14 percent drop in the value of food purchased through central procurement facilities (table 14). Nearly all major food groups contributed to the cutback in military food buying. Processed fruits and vegetables and beverage materials were the only groups where volume increased significantly.

In 1972 military buying may average lower than in 1971 but the decline may be smaller. Any drop in volume will likely be at least offset by higher food prices.

Exports Declined

Export volume of farm food commodities declined 3 percent in 1971, a smaller drop than originally anticipated. They had risen 22 percent in 1970. Dock strikes at East Coast, Gulf, and West Coast ports were responsible for part of the decline in 1971.

All of the decline in exports of farm food commodities came from the food crops side, down nearly 5 percent. Exports of wheat, rice, and corn, sorghums, and other feed grains were all lower in 1971 than in 1970. Exports of soybeans declined, but total soybean exports including products (oil and meal) increased considerably.

The volume of livestock product exports, though much less important than crop exports, rose 11 percent last year. The rise was led by increases in butter, evaporated milk, tallow, and edible offal.

Supplies up Sharply

Supplies of food commodities increased last year, led by a 10 percent increase in production and a 6 percent increase in imports (table 13). These increases coupled with the less than 2 percent increase in utilization resulted in 10 percent larger stocks at the end of 1971.

Most of the increases came from food crop commodities, mainly grains. Production of livestock commodities was also higher. The largest increases were for corn, wheat, and pork.

The volume of imports of farm food commodities increased nearly 6 percent in 1971, despite dock strikes in the latter part of the year. Crop food imports rose nearly 9 percent, with cane sugar, coffee, cocoa beans, tea, and fruits leading the way. On the other hand, imports of livestock food products declined nearly 5 percent, led by a decline in imports of beef.

Outlook for 1972—Improving

Utilization of food commodities this year is expected to increase again, but likely somewhat less than last year. Use in all major categories—food, nonfood, and exports—will probably increase.

Total production (net of feed and seed use) probably will decline slightly from record 1971 levels, due to smaller prospective crop output. Among livestock commodities, production of beef, chicken, turkey, eggs, and milk may increase. Pork production is declining sharply from last year's high level, but will still be higher than in other recent years. Lamb and mutton and veal are expected to continue on the downtrend. All in all, production of livestock food products will likely total about 1 percent more this year.

Based on farmer's reported intentions and other preliminary indications, crop output may be down as much as 3 percent. However, most of this decline will come from smaller feed grain production which will be used as an input into livestock production in the food production system.

While crop production is expected to decline from record 1972 levels, it will likely be larger than utilization unless food, feed, and export uses rise substantially. As a result, stock levels at the end of 1972 will probably increase again.

Manufacturers' Shipments up

The value of manufacturers' shipments of food and beverage products increased 5 percent in 1971 over the previous year (table 15). Beverage shipments went up 7 and food shipments 5 percent.[2] Shipments of frozen fruit, fruit juices and vegetable specialties rose 12 percent. The value of soft drinks and flavorings each increased 9 percent.

The value of manufacturers' shipments from soybean oil mills declined 2 percent in 1971 after a 26 percent gain in 1970. Shipments of ice cream and other frozen desserts, and flour and other milling products each increased only 1 percent in 1971.

Rising wholesale food prices accounted for about two-thirds, and larger volume for one-third, of the increase in the commercial value of food and beverage shipments.

Shipments of food and beverage products may jump another 5 percent in 1972 with food rising 5 percent and beverages 7 percent.[3] This presupposes higher wholesale prices of foods and beverages and a moderately larger volume. Increases in value of commercial shipments of 8 percent or more are forecast for: Soft drinks, flavorings, distilled liquor, cheese, and frozen fruit, fruit juices, and vegetable specialties.

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[2] Shipments include commercial values of all products sold, transferred to other plants of the same company, or shipped on consignment.

[3] Forecast published in *U.S. Industrial Outlook - 1972*, April 1972, pages 80-93, Bureau of Domestic Commerce, U.S. Dept. Commerce.

Farmers' planting intentions for 1972

Crop	Prospective plantings 1972	Change from	
		January intentions	1971 planted acres
	Million acres	*Percent*	*Percent*
Food grains:			
Winter wheat	[1] 42.2	---	9
Durum wheat	2.48	-10	-12
Other spring wheat	10.7	-11	-18
Total	55.4	-3	2
Rice	1.83	---	---
Feed grains:			
All corn	68.5	-2	-8
All sorghums	18.4	-7	-13
Oats	21.0	1	-4
Barley	10.4	7	-6
Total	118.3	-2	-8
Soybeans	45.5	3	5
Sugar beets	1.39	---	-1
Peanuts	1.54	---	---
Potatoes:			
Late summer and fall	1.17	---	-3
Total	1.36	---	-4
Dry beans	1.48	---	7
Vegetables:			
Processing[2]	1.65	---	3
Fresh[3]	.519	---	2
Total	2.17	---	3

[1] Acreage seeded on December 1. [2] Lima beans, snap beans, sweet corn, green peas, spinach (winter) and tomatoes, beets and cucumbers for pickles. [3] Includes fresh market vegetable data for winter, early and mid-spring, and spring; excludes late spring.

Sources: Statistical Reporting Service. April 1 intentions for vegetables; March 1 intentions for other crops.

Table 14.--Military food procurement, by quarters, 1970 and 1971 1/

Item	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
	Million pounds									
Meat: 2/										
Beef and veal	130	155	117	105	507	104	147	81	94	426
Pork	47	67	37	50	201	47	67	25	30	169
Other	2	2	1	2	7	1	2	1	1	5
Fish 3/	10	8	6	6	30	5	7	4	13	29
Chicken and turkey 4/	19	37	27	33	116	26	35	28	28	117
Eggs 5/	28	31	25	19	103	17	29	16	17	79
Dairy products 6/	---	---	---	---	2,419	---	---	---	---	2,031
Fats and oils	17	28	7	34	86	19	30	20	25	94
Fruits:										
Fresh	49	48	39	32	168	37	47	35	40	159
Processed	17	45	26	67	155	31	62	64	24	181
Vegetables:										
Fresh *	126	165	140	177	608	159	152	120	119	550
Processed	48	51	18	119	236	49	55	81	96	281
Cereal products:										
Wheat flour 7/	26	64	18	44	152	19	30	16	20	85
Other cereal products	23	32	3	17	75	23	41	6	13	83
Sugar and sirups	17	31	9	26	83	21	20	29	15	85
Beverages 8/	5	10	1	8	24	4	17	14	6	41
Value of central procurement (millions of dollars) 9/	$209	$260	$157	$187	$813	$165	$263	$161	$154	$743
Percentage of total quantity of food used in the United States 10/	---	---	---	---	1.5%	---	---	---	---	1.2

1/ Centrally procured food only, except for dairy products. Data in terms of product weight unless otherwise indicated.

2/ Carcass weight basis.

3/ Major fish and shellfish items only.

4/ Ready-to-cook basis.

5/ Shell equivalent.

6/ Milk equivalent (butter-fat basis) of all dairy products including butter. Includes locally procured items estimated by USDA.

7/ Also includes wheat flour equivalent of bakery and macaroni products.

8/ Coffee, roasted bean basis; tea, leaf basis; and beverage cocoa.

9/ Includes minor amounts of nonfood products and food items not listed above; does not include expenditures for dairy products procured locally. See 10/.

10/ Derived from data in the supply and utilization tables computed by Economic Research Service; U.S. Agriculture. Quantities valued at 1957-59 prices. See table 13 . The value of central procurement of dairy products, was less than 5 percent of total central purchases in 1971. Military use of dairy products, including local procurement, was nearly a fifth of total military food use.

* Revised.

Based primarily on data from the U.S. Department of Defense.

Table 15.--Value of shipment for specified food and beverage industries, selected years, 1960-1972

Industry	1960	1965	1967	1968	1969	1970	1971 1/	1972 1/	Change 1971-72
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Pct.
Roasted coffee	1,704	2,090	2,092	2,123	2,212	2,406	2,415	2,487	3
Canned and bottled soft drinks	1,806	2,505	3,173	3,553	4,066	4,432	4,831	5,266	9
Flavorings	548	837	1,009	1,146	1,187	1,290	1,401	1,521	9
Total nonalcoholic beverages	4,058	5,432	6,274	6,822	7,465	8,128	8,647	9,274	7
Malt liquor	2,180	2,497	2,930	3,131	3,418	3,641	3,877	4,129	6
Wines and brandy	279	396	410	446	508	531	563	597	6
Distilled liquor 2/	927	1,288	1,364	1,515	1,698	1,829	1,970	2,122	8
Total alcoholic beverages	3,386	4,181	4,704	5,092	5,624	6,001	6,410	6,848	7
Total beverages	7,444	9,613	10,978	11,914	13,089	14,129	15,057	16,122	7
Meat packing plants	11,828	13,909	15,576	16,385	18,087	19,172	20,322	21,541	6
Sausage and other prepared meat products	2,008	2,323	3,008	3,097	3,312	3,511	3,722	3,945	6
Poultry and small game dressing and packing, wholesale	2,054	2,490	2,936	3,072	3,479	3,688	3,909	4,147	6
Total meat and poultry	15,890	18,722	21,520	22,554	24,878	26,371	27,953	29,633	6
Cheese, natural and processed	994	1,325	1,708	1,784	1,954	2,176	2,376	2,557	8
Condensed and evaporated milk	936	1,050	1,263	1,259	1,284	1,352	1,391	1,449	4
Ice cream and frozen desserts	1,048	1,085	1,059	1,092	1,098	1,146	1,126	1,141	1
Fluid milk	6,763	7,185	7,826	8,035	8,181	8,253	8,549	8,737	2
Total dairy	9,741	10,645	11,856	12,170	12,517	12,927	13,442	13,884	3
Canned specialties 2/	989	1,368	1,362	1,572	1,609	1,634	1,805	1,910	6
Canned fruits, vegetables, preserves, jams and jellies 2/	2,516	2,982	3,468	3,654	3,670	3,950	4,124	4,293	4
Pickles, sauces and dressings	630	784	819	854	1,008	1,114	1,133	1,200	6
Frozen fruit, fruit juices, vegetables specialties 2/	1,207	1,816	2,082	2,299	2,619	2,923	3,262	3,605	11
Total canned and preserved	5,342	6,950	7,731	8,379	8,906	9,621	10,324	11,008	7
Flour and other grain mill products	2,240	2,146	2,457	2,383	2,421	2,410	2,489	2,524	1
Bread and other bakery products, except cookies and crackers	4,333	4,709	5,103	5,235	5,567	5,890	6,161	6,376	3
Cookies and crackers	1,051	1,236	1,364	1,421	1,474	1,530	1,588	1,644	4
Total flour and bakery	7,624	8,091	8,924	9,039	9,462	9,830	10,238	10,544	3
Soybean oil mills	1,133	1,732	2,148	1,919	1,983	2,610	2,487	2,611	5
Shortening, table oils, margarine and other edible fats and oils	1,052	1,489	1,726	1,706	1,726	1,888	1,865	1,940	4
Total fats and oils	2,185	3,221	3,874	3,625	3,709	4,498	4,352	4,551	5
Cane sugar refining	1,068	1,182	1,376	1,425	1,446	1,584	1,529	1,581	3
Candy and other confectionery products	1,318	1,583	1,870	1,989	2,072	2,276	2,345	2,416	3
Chocolate and cocoa products	451	453	520	556	606	602	626	639	2
Total sugar and sweets	2,837	3,218	3,766	3,970	4,124	4,462	4,500	4,636	3
All other food and kindred products (except beverages)	8,639	9,801	10,530	10,915	11,736	10,344	11,344	11,933	5
Total food products	52,258	60,648	68,201	70,652	75,332	78,053	82,153	86,189	5
Total foods and beverages	59,702	70,261	79,179	82,566	88,421	92,182	97,210	102,311	5

1/ Estimated by Bureau of Domestic Commerce, U.S. Department of Commerce.
2/ Value of production.

Source: U.S. Industrial Outlook--1972, April 1972, pp. 80 and 93, Bureau of Domestic Commerce and Annual Survey of Manufactures, 1970, March 1972, pp. 4-5, Bureau of Census, U.S. Department of Commerce.

U.S. Families Still Preserve Food at Home

by Corinne Le Bovit

ABSTRACT: Households surveyed by USDA in 1965-66 canned or froze a little over a tenth of the processed fruits and vegetables that they used. Farm families used a much higher proportion that they had preserved themselves, but even urban families were still putting up some of their own food. Comparisons with a similar survey conducted in 1955 suggest a slight drop in home preservation in the intervening decade. Canning at home was more popular than freezing. In general, the choice of items put up at home was similar to the choices of purchased canned and frozen items.

KEY WORDS: Food consumption, canned, frozen, processed, preserved, fruit, vegetables, home-processed, home-canned, home-frozen.

Despite the increased availability of convenience foods, home preservation of fruits and vegetables has not disappeared from the American scene. A nationwide sample of households canned or froze a little over a tenth of the processed fruits and vegetables (including jellies and juices) that they used during the year.[1] Excluding juices, the home-processed share was 17 percent.

Not only farm households were putting up their own food. Rural nonfarm households home canned or froze nearly a third of their processed fruits and vegetables (excluding pickles, jellies, juices), compared with nearly two-thirds for farm households and nearly a tenth for urban households. While most fruit and vegetables preserved at home were also home-grown or picked wild, a substantial amount was purchased or received from other people. For farm families nine-tenths was home-grown, for rural nonfarm eight-tenths, for urban six-tenths.

Canning at home was more popular than freezing; more than two-thirds of the home-processed food was canned. Home freezers, which were owned by nearly a third of the surveyed households, are expensive, require maintenance, and take up considerable space. Furthermore when freezer space is limited, people may prefer to use it for meat which is more difficult to preserve by other methods.

The choice of items from home-processed supplies was not very different from choices of commercial canned and frozen items though rankings were somewhat different. The accompanying list shows the principal processed items used in descending order of use by households.

Homemakers with corn and peas available for processing appeared to prefer freezing over canning. More of these 2 vegetables were home-frozen than home-canned. In general more fruits were canned than frozen. However, homemakers chose freezing over canning as a preservation method for berries. In fact, even urban families used more home-frozen than commercially frozen fruit and berries, though the quantities of each were small.

Home	Commercial
Canned vegetables	
Snapbeans	Pickles, catsup, relished
Tomatoes	Corn
Pickles, catsup, relishes	Tomatoes
	Snapbeans
	Peas
Frozen vegetables	
Corn	Greens
Snapbeans	Peas
Peas	Snapbeans
Lima beans	Corn
Canned fruit	
Apples	Peaches
Peaches	Apples
Jelly, jam	Mixed fruit
	Jelly, jam
Frozen fruit	
Berries	Berries
Peaches	
Apples	
Cherries	

Similar data are not available from the household survey conducted in 1955, but there are data on the proportion of households that reported having canned or frozen foods. A recent article on home food preservation

[1] Household Food Consumption Survey 1965-66, Report 12, Agricultural Research Service, USDA and unpublished data.

shows that the proportion of all U.S. households canning any food dropped 10 percentage points from 1954 to 1964, while the percentage of households doing any home freezing increased by 5 percentage points. The comparative sizes of the shifts suggest that a somewhat smaller proportion of households probably home processed food in 1964 than in 1954.[2]

During the same decade the quantity of most commercially processed fruits and vegetables used in homes changed very little. The only significant changes were an increase in frozen vegetables and a decrease in jellies and jams.

Home processed fruits and vegetables compete with commercial products at the family table as shown by per capita consumption in households for 1965-66 (excluding pickles, jellies, juices).

Farm families used more processed fruits and vegetables but less from commercial sources than nonfarm families. The farm families also used a far larger proportion of home-processed products. It appears likely that as long as people grow some of their own food or have access to plentiful sources of perishable foods in season they will continue to preserve some of it themselves.

Per person use of canned and frozen fruits and vegetables, annual rate, in households

Urbanization	Home	Commercial	Total
	Pounds	*Pounds*	*Pounds*
Urban	6	73	79
Rural nonfarm	26	63	89
Farm	61	39	100
U.S. average	15	69	84

[2] "Home food preservation in U.S. households," Ruth Redstrom, *Family Economics Review,* ARS 62-5, June 1971.

Table 16.--Per person use of processed fruit and vegetables in households, by source, annual rate, 1965-66 1/

Item	Fruit		Vegetables		Total	
	Home	Commercial	Home	Commercial	Home	Commercial
	Pounds					
Canned	4.1	22.4	5.4	36.3	9.5	58.7
Frozen	1.6	.5	3.7	9.4	5.3	9.9
Total	5.7	22.9	9.1	45.7	14.8	68.6
Pickles, catsup, fruit in jellies, jam	.9	3.1	1.6	12.4	2.5	15.4
Juice: chilled, canned, frozen (single strength equivalent)	.3	57.4	1.1	8.7	1.4	66.1
Grand Total	6.9	83.4	11.8	66.8	18.7	150.1

1/ Excludes fruit and vegetables in commercial pies and other mixtures.

Source: Household Food Consumption Survey 1965-66, Report 12 and unpublished data.

Table 17.--Wholesale food price indexes and Wholesale Price Index, selected periods 1/
(1967=100)

Year and month	Farm products			Processed foods and feeds														
				Meats														
	Eggs	Fresh and dried fruits and vegetables 2/	Total 3/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 2/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 4/	Total 5/	All food 6/	Industrial commodities 7/	All commodities
1960	122.4	99.0	97.2	95.1	86.6	91.8	116.2	81.4	86.1	92.8	88.7	88.1	90.1	92.8	89.5	92.1	95.3	94.9
1966	128.0	100.9	105.9	98.4	111.8	104.3	113.1	101.5	97.2	97.8	102.5	98.5	97.8	99.3	101.2	101.9	98.5	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	111.4	106.6	102.5	104.2	98.5	102.2	105.8	108.1	104.8	106.5	98.1	100.9	102.8	102.8	102.2	103.4	102.5	102.5
1969	133.9	109.3	108.8	112.9	110.8	113.3	113.6	118.6	108.2	107.9	101.5	102.6	109.4	106.0	107.3	109.6	106.0	106.5
1970	126.8	111.6	111.0	114.5	111.7	115.0	113.3	125.1	111.2	110.4	111.8	107.6	115.9	112.9	112.0	113.5	110.0	110.4
1971	100.8	120.1	112.9	124.1	99.5	114.1	112.4	137.0	115.4	114.3	121.1	111.4	119.2	115.8	114.3	115.5	114.0	113.9
January	113.3	115.7	108.9	113.3	92.6	105.9	110.1	130.0	112.8	111.2	119.4	111.0	118.6	115.0	111.8	112.4	112.2	111.8
February	97.6	118.3	113.9	122.2	102.4	113.6	112.7	132.6	112.3	111.5	119.4	111.1	118.3	115.2	113.3	114.2	112.5	112.8
March	101.2	125.3	113.0	122.1	92.4	110.9	111.8	130.9	115.0	111.9	119.4	111.5	119.2	115.3	113.7	115.0	112.8	113.0
April	104.4	120.8	113.0	124.4	91.0	111.5	110.7	132.3	115.5	113.0	119.4	111.5	118.6	115.6	113.5	114.7	113.3	113.3
May	92.4	127.5	114.0	128.0	96.3	115.1	112.0	132.4	116.2	114.0	118.5	111.5	119.2	115.7	114.5	116.0	113.7	113.8
June	98.0	136.1	116.0	124.4	97.7	114.1	118.7	137.1	116.1	115.4	118.5	111.5	119.0	115.7	114.9	117.0	113.9	114.3
July	89.4	109.3	113.4	122.9	106.1	116.0	129.7	138.9	116.2	115.9	122.8	111.5	119.4	115.9	116.0	115.8	114.5	114.6
August	110.1	115.9	113.2	124.5	102.6	115.5	113.7	141.7	115.4	116.2	124.6	111.4	120.5	116.1	115.4	116.6	115.1	114.9
September	107.8	103.6	110.5	125.9	101.1	115.5	114.7	138.4	115.4	115.7	123.3	111.3	119.8	116.0	114.6	115.1	115.0	114.5
October	92.4	115.8	110.3	123.4	105.4	115.7	107.2	138.4	116.4	115.3	122.8	111.3	118.7	116.4	114.1	115.3	115.0	114.4
November	88.5	127.1	112.2	126.1	101.1	115.6	106.0	142.2	116.3	115.4	122.8	111.5	119.1	116.6	114.4	116.3	114.9	114.5
December	114.4	126.3	115.8	131.4	105.4	119.6	101.8	149.2	117.4	115.8	122.0	111.6	120.2	116.4	115.9	118.1	115.3	115.4
1972																		
January	92.6	124.9	117.8	134.2	114.5	124.2	108.3	156.3	117.3	116.0	121.7	112.2	120.1	116.4	117.2	118.9	115.9	116.3
February	91.9	127.5	120.7	137.1	121.4	129.5	116.2	156.2	117.5	116.1	121.1	112.4	121.1	116.8	118.8	120.8	116.5	117.3
March	107.7	112.8	119.7	134.0	111.5	124.8	117.5	160.1	118.0	116.7	120.8	112.6	121.9	116.7	118.6	119.3	116.9	117.4
April	87.2	117.6	119.1	128.9	109.1	121.3	106.5	163.8	117.5	118.3	120.7	112.8	121.1	117.2	117.7	118.0	117.3	117.5
	Seasonally adjusted																	
1971																		
January	105.6	114.0	109.0	---	---	---	---	---	113.0	111.0	119.2	---	118.1	---	111.5	---	---	---
February	95.9	115.4	113.4	---	---	---	---	---	112.8	111.4	118.9	---	118.7	---	113.2	---	---	---
March	100.8	121.7	112.0	---	---	---	---	---	116.3	112.0	118.7	---	120.0	---	114.3	---	---	---
April	117.6	120.6	113.6	---	---	---	---	---	115.8	113.1	118.8	---	119.6	---	114.3	---	---	---
May	119.2	114.9	112.4	---	---	---	---	---	116.1	114.0	118.4	---	119.7	---	115.0	---	---	---
June	116.4	130.4	114.3	---	---	---	---	---	115.6	115.3	118.7	---	119.4	---	114.1	---	---	---
July	86.8	107.2	111.0	---	---	---	---	---	115.9	115.7	123.8	---	118.6	---	114.5	---	---	---
August	116.8	124.4	114.2	---	---	---	---	---	115.1	116.4	125.5	---	120.0	---	114.8	---	---	---
September	90.4	111.8	110.9	---	---	---	---	---	115.2	116.3	124.4	---	119.3	---	114.0	---	---	---
October	94.8	127.4	113.8	---	---	---	---	---	115.9	115.5	123.0	---	118.0	---	114.6	---	---	---
November	81.9	128.5	113.8	---	---	---	---	---	116.4	114.9	121.9	---	118.9	---	115.2	---	---	---
December	97.0	126.6	117.0	---	---	---	---	---	117.0	115.8	121.8	---	120.6	---	116.8	---	---	---
1972																		
January	86.3	123.1	117.9	---	---	---	---	---	117.5	115.8	121.5	---	119.6	---	116.8	---	---	---
February	90.3	124.4	120.2	---	---	---	---	---	118.0	116.0	120.6	---	121.5	---	118.7	---	---	---
March	107.3	109.5	118.6	---	---	---	---	---	119.3	116.8	120.1	---	122.8	---	119.2	---	---	---

1/ For earlier annual data (1957-59 reference base), see Food Consumption, Prices and Expenditures, Agricultural Economic Report No. 138, table 106. 2/ Includes potatoes. 3/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 4/ Includes alcoholic beverages. 5/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 6/ All food includes all processed foods (omitting soft drinks, alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 7/ Prior to 1967, includes manufactured animal feeds, soft drinks, and alcoholic beverages.

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Table 18.--Retail food price indexes and Consumer Price Index, selected periods 1/
(1967=100)

Year and month	Food at home: Meats: Beef and veal	Meats: Pork	Meats: Total 2/	Poultry 3/	Fish	Eggs	Dairy products 4/	Fats and oils 5/	Fruits and vegetables: Fresh	Fruits and vegetables: Processed	Fruits and vegetables: Total	Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food	Consumer Price Index, less food	Consumer Price Index
1960	92.1	81.7	87.2	106.9	85.0	113.2	88.4	86.5	84.6	92.9	88.3	87.1	90.1	91.5	89.6	81.4	88.0	88.8	88.7
1966	99.4	109.0	102.6	106.7	96.7	119.6	95.8	99.7	99.7	100.6	100.1	97.7	97.0	100.9	100.3	95.1	99.1	96.7	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.1	100.2	102.3	103.1	101.6	107.8	103.3	97.7	109.4	105.6	107.9	100.4	103.4	101.9	103.2	105.2	103.6	104.4	104.2
1969	114.5	109.1	111.4	109.0	107.2	126.8	106.7	97.7	111.1	106.5	109.3	103.3	109.1	104.6	108.2	111.6	108.9	110.1	109.8
1970	119.5	115.9	117.6	108.4	118.0	125.6	111.8	104.7	116.3	109.2	113.4	108.9	115.1	117.4	113.7	119.9	114.9	116.7	116.3
1971	124.9	105.0	116.7	109.0	130.2	108.4	115.3	114.4	121.0	116.2	119.1	113.9	119.3	121.6	116.4	126.1	118.4	122.1	121.3
January	118.5	103.6	112.9	106.3	125.4	124.0	113.9	111.3	107.4	112.8	109.6	112.4	117.8	121.9	113.4	123.4	115.5	120.3	119.2
February	120.0	103.2	113.5	105.5	127.0	112.7	114.0	112.1	112.2	113.0	112.6	112.8	117.9	122.1	113.9	123.9	115.9	120.4	119.4
March	122.4	106.0	115.6	107.8	127.7	110.9	114.2	112.4	117.7	113.5	116.0	113.0	118.1	121.8	115.1	124.3	117.0	120.6	119.8
April	124.2	103.6	115.7	107.3	128.6	109.7	114.6	113.6	123.6	114.7	120.0	113.9	118.7	122.0	116.1	124.8	117.8	120.9	120.2
May	124.6	102.2	115.6	107.8	129.4	106.1	115.1	113.9	125.6	115.1	121.4	114.1	119.0	121.8	116.3	125.3	118.2	121.6	120.8
June	126.1	103.6	117.0	111.6	130.3	99.1	115.7	113.8	131.2	115.9	125.1	114.2	119.4	122.2	117.4	125.9	119.2	122.2	121.5
July	126.6	104.7	117.6	112.1	131.0	105.2	116.0	114.0	132.2	116.9	126.0	114.8	119.7	122.0	118.1	126.5	119.8	122.4	121.8
August	126.8	106.9	118.4	112.1	131.9	109.7	116.0	115.2	127.4	117.9	123.6	114.5	120.3	122.0	118.1	127.1	120.0	122.7	122.1
September	127.7	106.4	118.8	112.2	132.5	102.4	116.1	116.6	115.3	118.6	116.6	114.6	120.2	121.0	116.9	127.6	119.1	123.1	122.2
October	127.1	105.8	118.3	110.0	132.8	106.7	116.0	116.7	113.6	118.4	115.6	114.3	120.1	121.2	116.6	128.0	118.9	123.5	122.4
November	126.6	106.3	118.2	108.1	132.9	103.2	115.9	116.7	117.3	118.5	117.8	114.1	120.0	120.9	116.7	128.2	119.0	123.7	122.6
December	128.0	107.2	119.1	107.5	133.2	110.5	116.1	116.4	128.2	118.8	124.4	113.8	120.1	120.5	118.2	128.3	120.3	123.9	123.1
1972																			
January	130.8	109.2	121.1	108.4	134.7	108.0	116.4	116.6	122.1	119.2	120.9	113.7	120.1	120.4	118.2	128.6	120.3	124.0	123.2
February	136.1	119.4	127.5	110.7	137.0	101.4	116.9	117.2	126.8	119.5	123.9	114.3	120.5	120.7	120.5	128.9	122.2	124.2	123.8
March	137.1	118.2	127.9	111.6	138.3	107.5	117.3	117.4	122.3	119.9	121.4	114.8	121.2	120.9	120.6	129.4	122.4	124.5	124.0
	Seasonally adjusted																		
1971																			
January	119.2	104.8	113.7	108.4	124.9	113.9	113.7	---	108.6	---	110.3	---	---	---	113.4	---	115.5	---	---
February	120.7	104.0	114.2	104.5	126.6	103.4	114.0	---	113.4	---	113.3	---	---	---	114.0	---	116.1	---	---
March	123.0	107.0	116.4	107.1	127.6	111.5	114.4	---	117.2	---	115.8	---	---	---	115.3	---	117.2	---	---
April	125.2	105.6	116.5	105.7	128.5	110.9	115.2	---	122.0	---	119.0	---	---	---	116.4	---	118.2	---	---
May	124.6	104.8	116.4	107.7	129.1	119.9	115.3	---	121.0	---	118.7	---	---	---	116.6	---	118.4	---	---
June	126.0	103.6	117.0	111.4	130.2	115.6	115.7	---	124.4	---	121.2	---	---	---	117.0	---	119.0	---	---
July	125.7	102.4	116.4	109.2	131.3	118.9	116.1	---	122.9	---	120.7	---	---	---	117.2	---	119.1	---	---
August	125.2	103.4	116.4	109.3	132.2	109.5	116.0	---	124.5	---	121.8	---	---	---	117.2	---	119.2	---	---
September	126.1	103.2	116.9	109.3	132.9	97.0	116.0	---	119.9	---	119.3	---	---	---	116.6	---	118.9	---	---
October	126.5	104.0	117.4	110.7	133.1	99.1	115.7	---	120.6	---	119.9	---	---	---	116.6	---	118.9	---	---
November	127.0	107.4	118.8	109.7	133.3	103.8	115.7	---	124.0	---	121.7	---	---	---	117.6	---	119.7	---	---
December	129.6	104.4	120.5	109.4	133.1	102.2	115.8	---	133.3	---	126.9	---	---	---	118.6	---	120.5	---	---
1972																			
January	131.6	110.4	122.0	110.3	134.2	99.2	116.2	---	123.5	---	121.6	---	---	---	118.2	---	120.3	---	---
February	136.9	120.4	128.3	110.4	136.6	93.0	116.9	---	128.2	---	124.6	114.3	---	---	120.6	---	122.4	---	---
March	137.8	119.3	128.8	110.6	138.2	108.0	117.5	---	121.8	---	121.2	114.8	---	---	120.8	---	122.6	---	---

1/ For earlier annual data (1957-59 reference base), see Food Consumption, Prices, and Expenditures, Agricultural Economic Report No. 138, July 1968. 2/ Beef, veal, lamb and mutton, pork, and processed meat. 3/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only. 4/ Includes butter. 5/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI.

Bureau of Labor Statistics.

LIST OF TABLES AND CHARTS

Table		Page
1	Consumer, wholesale, and farm price indexes, 1971-72	5
2	Expenditures for food in relation to disposable income, 1960 and 1965-72	8
3	Federal cost of USDA food programs, 1969-72	9
4	Per capita food consumption, index 1960-72	11
5	Livestock products: Per capita consumption indexes, quarterly, 1969-72	12
6	Civilian consumption of major food commodities, 1960 and 1967-71	13
7	Reported refined sugar deliveries by type of use, 1969-71	16
8	Reported refined sugar deliveries, by form, 1969-71	16
9	Sources of sugar supplies, 1970-72	17
10	U.S. sweeteners and beverages: Selected prices, 1971 and 1972	18
11	Production and consumption of coffee, 1967-71	20
12	Imports of coffee, 1967-71	20
13	Livestock, crop, and total farm food commodities: Supply-utilization indexes, 1965-71	22
14	Military food procurement, by quarters, 1970 and 1971	25
15	Value of shipments for specified food and beverage industries, selected years, 1960 to 1972	26
16	Per person use of processed fruit and vegetables in household, by source, annual rate, 1965-66	28
17	Wholesale food price indexes and Wholesale Price Index, selected periods	29
18	Retail food price indexes and Consumer Price Index, selected periods	30

CHARTS

Figure		
1	Retail food prices	2
2	Retail food price seasonality	2
3	Food prices	2
4	Beef prices	2
5	Per capita consumption: Meat and total livestock products	2
6	Pork prices	2

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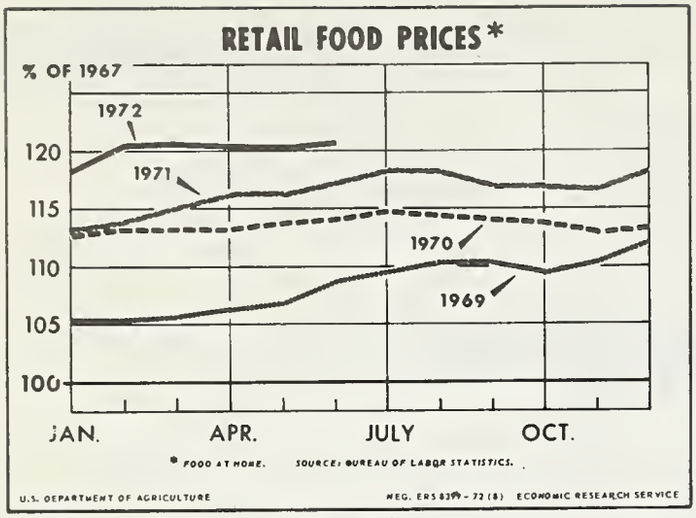
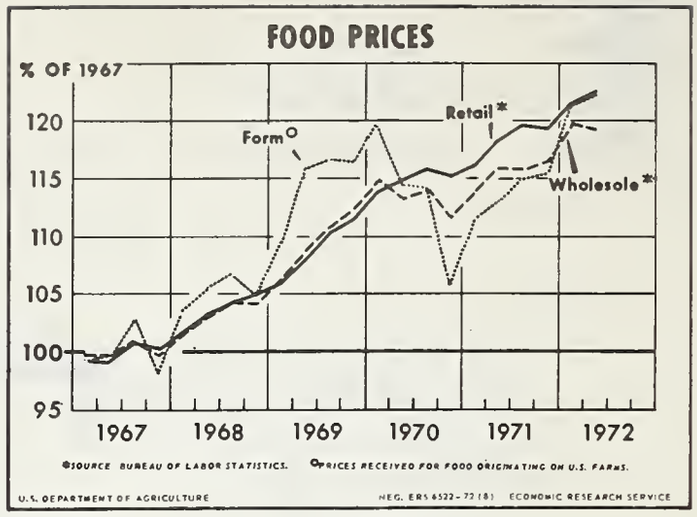


Figure 1



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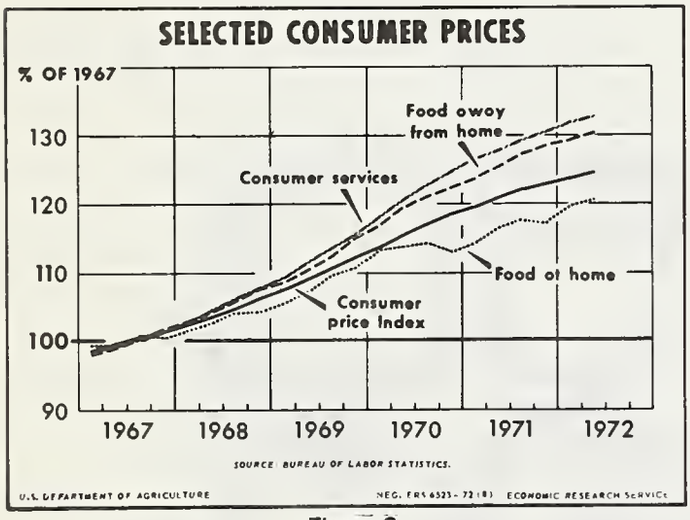

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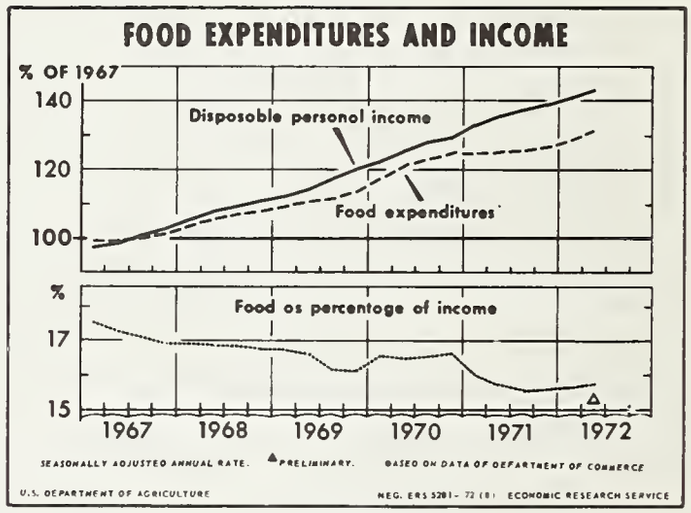

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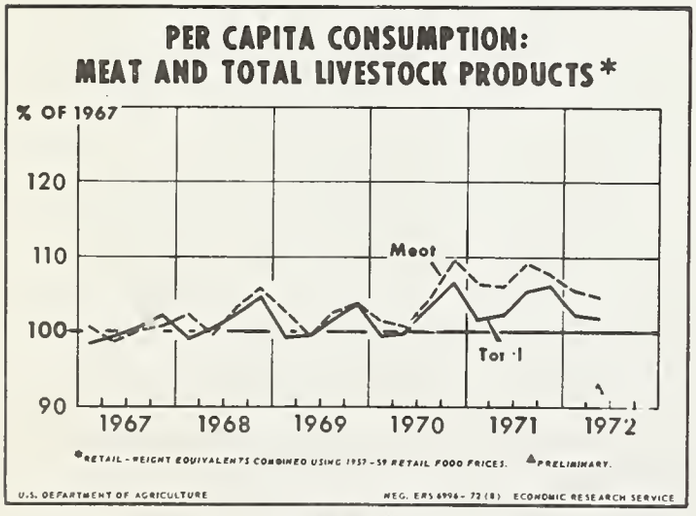

Figure 5

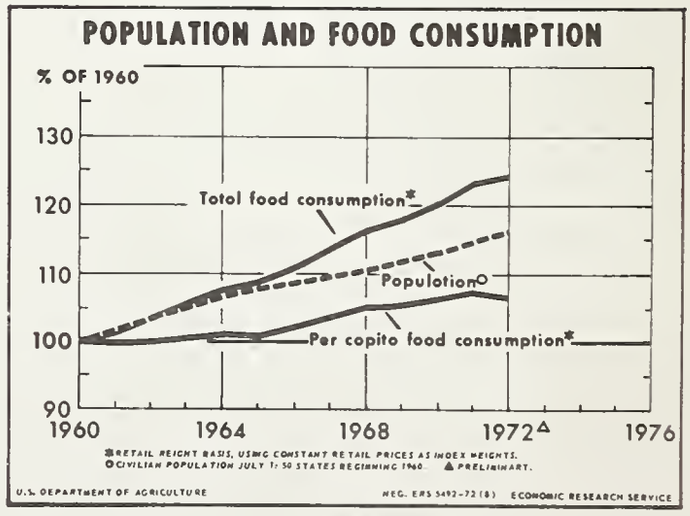

Figure 6

NATIONAL FOOD SITUATION

CONTENTS

	Page
Summary	3
Food Prices	4
Food Spending and Income	7
Per Capita Food Consumption	10
Sugar and Tropical Products - Situation and Outlook	18
Food Supply and Utilization	23
Special Article: Food Use by the Food-service Industry by Corinne Le Bovit	28
List of Tables	33
List of Charts	33

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The Outlook and Situation Board
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August 8, 1972

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●●●

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SUMMARY

The all-food retail price index this year may average 4½ percent above last year. Most of the rise for the year has already occurred.

In contrast to a sharp winter advance, retail food prices rose at a considerably slower pace this spring. The index increased less than 1 percent between the first and second quarters, about half the first quarter advance. Food away from home accounted for most of the second quarter rise. At-home food was up about a half percent, most of which was seasonal.

Reflecting stronger demand, higher beef prices, and lower supplies of fruits and vegetables, a much more than seasonal increase in retail prices is occurring in the summer quarter. By fall, however, the index may show some seasonal decline.

Most of the increase for the second half of the year will be the result of continued higher prices for livestock related foods. Retail beef prices will continue well above a year ago, and the gains for pork will be even greater, reflecting significantly less hog production than last year. However, fish price increases will be slowing and year-to-year advances for poultry will be minimal. Dairy prices will be slightly above last year.

Crop related food prices will show less striking gains than animal product foods, but limited supplies of most fresh vegetables, potatoes, and noncitrus fruit may well prevent any significant decreases in retail prices. Food fats and oils likely will show a slower gain than last year's record increase. Prices of sugar and sweets and cereal and bakery products will average moderately above a year ago.

Consumers expenditures for food have advanced at the most rapid pace in 2 years; they rose 2.2 percent from the first quarter to $123.3 billion and were 5.5 percent above the second quarter of 1971. For all of 1972, expenditures for food may be 5½ percent above a year ago, reflecting price increases and population growth; per capita consumption will be off slightly. With disposable income rising around 7 percent for the year, the share of income allocated to food will decline from the 15.8 percent in 1971.

Per capita food consumption in 1972 is expected to be greater than in any other year except 1971. The half percent reduction this year primarily reflects lower consumption of meats, fresh produce, and processed fruit. The drop in meat consumption is due to a sharp curtailment in pork production. However, beef

consumption is up, and a new high is in store for poultry. Processed vegetables may show a small gain, but smaller production will likely reduce per capita consumption of fresh vegetables as well as fresh and processed fruits. Fats and oils will be off slightly from last year.

Total utilization of farm food commodities in 1972 will increase, but less than the 2 percent rise last year. Exports will likely achieve a new record and domestic food use will be up about 1 percent. Military use will drop sharply, marking the fifth consecutive yearly decline. In addition, net nonfood use will be down again. Supplies will be up due to a 10 percent higher stock level at the beginning of 1972 that more than offsets a prospective decline of almost 3 percent in production this year. Output of crop food commodities may be 5 percent lower, with little change for livestock food commodities.

FOOD PRICES

Food Prices Steady

The sharp advance in retail food prices last winter eased noticeably in early spring, but prices rose again in June as rising livestock and fresh produce prices were reflected at the retail level.

For the second quarter, the Consumer Price Index for all food averaged 0.8 percent above the winter quarter, slightly less than the increase for nonfood items. The index for the second quarter was 3½ percent above a year ago, only slightly above the 3 percent for nonfood items (table 1).

Prices of food eaten in restaurants and snack bars rose over 1 percent in the second quarter contributing significantly to the quarter-to-quarter rise for all foods. In contrast, food eaten at home, which had posted a near-record increase in the first quarter, was up about ½ of 1 percent. Most of this rise was a normal seasonal increase.

Change in retail food prices, second quarter, 1972

Item	From first quarter 1972	From second quarter 1971
	Percent	*Percent*
Meat	1.0	9.1
Poultry	-1.2	0
Fish	2.7	8.5
Dairy products	.3	1.8
Eggs	-5.7	-5.1
Fats and oils	-.8	2.1
Fruits and vegetables	1.9	1.8
Sugar and sweets	.4	1.8
Cereal and bakery products	.4	.5
Beverages	.1	-1.0
Other preparations	.4	1.8
Food at home	.6	3.3
Food away from home	1.1	4.1
All food	.8	3.5

Declines in the marketing margin, which fell each month during the quarter, helped hold down increases in the at-home index. Payments to farmers for the food commodities was up sharply, reflecting major advances in May and June.

Food Prices and the Wage-Price Freeze

In June, the tenth month following the imposition of price controls, grocery store food prices (seasonally adjusted) were 2.6 percent higher than at the beginning of the freeze. This was fractionally more than the increase for nonfood items. During the same 10-month period a year ago, at-home food prices advanced close to 3 percent.

Almost all of the rise in the food index (seasonally adjusted) during the freeze period has been due to higher prices for meat products. The largest gains have been for pork, reflecting a sharp cutback in supplies prompted by the extremely low returns to hog producers in late 1970 and much of 1971. Although production and imports of beef have advanced more than increases in the population, beef prices are much higher, reflecting strong demand accompanying the economic recovery. Egg, poultry, beverage, and potato prices are down. Price increases for dairy products, fresh and processed fruits and vegetables, cereal and bakery products, and sugar and sweets have been minimal.

New actions under Phase II include suspension of import quotas for meat for the rest of 1972 and extension of margin type controls to cover previously exempt fresh fruits and vegetables, eggs, and fresh fish.

Outlook

Strong demand bolstered by rapidly rising income, higher livestock prices this spring, and smaller supplies of vegetables and noncitrus fruit may cause a greater than seasonal increase in retail food prices this summer. Moreover, farm-retail spreads which decreased from March to June may increase again, exerting additional pressures on retail prices. For the year, food-at-home prices may average nearly 4½ percent above 1971 with much of the rise having already occurred in the first half. With food away-from-home prices moving at a less rapid pace than in recent years, the all food index probably will be up around 4½ percent.

Increases in the food price index may ease this fall. Most of the gains over a year earlier will come from retail prices of livestock related foods, with crop related foods showing less striking gains.

Table 1.--Consumer, wholesale, and farm price indexes, 1971-72
(1967=100)

Item	1971				1972		
					II		
	II	III	IV	Year	I	Index	Percent change from 1971 II
Retail prices: 1/							
All goods and services (CPI)	120.8	122.0	122.7	121.3	123.7	124.7	3.2
All items less food	121.6	122.7	123.7	122.1	124.2	125.3	3.0
All food	118.4	119.6	119.4	118.4	121.6	122.6	3.5
Food at home	116.6	117.7	117.2	116.4	119.8	120.5	3.3
Food away from home	125.3	127.1	128.2	126.1	129.0	130.4	4.1
Wholesale prices: 1/							
All commodities	113.8	114.7	114.8	113.9	117.0	118.2	3.9
Industrial commodities	113.6	114.9	115.1	114.0	116.4	117.6	3.5
Farm products	114.3	112.4	112.8	112.9	119.4	121.8	6.6
Processed food	115.4	116.9	116.6	115.6	120.2	120.3	4.2
All food 2/	115.9	115.8	116.6	115.5	119.7	119.4	3.0
Prices received by farmers: 3/							
Crops	110	107	108	107	110	114	3.6
Livestock and products	114	116	120	116	129	128	12.3
Average	112	112	115	112	120	122	8.9
Market basket of U.S. farm foods: 4/							
Retail cost	115.1	116.6	115.9	115.1	119.1	119.4	3.7
Farm-retail spread	116.4	117.7	116.2	116.0	117.7	117.5	.9
Farm value	113.2	114.9	115.4	113.8	121.5	122.4	8.1

1/ Department of Labor, Bureau of Labor Statistics.

2/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.

3/ Statistical Reporting Service.

4/ Economic Research Service.

Retail prices of foods derived from livestock products, which normally show a sharp seasonal increase in midsummer, will also reflect the recent rise in cattle prices. In addition, marketers may recoup some of the squeezed margins of spring and early summer. By late fall however, prices will likely level off as meat production picks up seasonally. Even so retail beef prices will continue well above a year ago. Pork prices will average much higher than last year in the second half as pork supplies will continue smaller and demand for red meat will remain very strong. Poultry output is above a year ago but prices will increase seasonally this summer and fall and may average slightly higher than a year ago, supported by relatively high red meat prices and strong demand for high-protein food. Egg prices may increase more than seasonally in summer and fall, but the index will average only moderately above a year ago. Fish prices will probably rise at a less rapid pace for the second half in light of the improved supply situation. Dairy prices are expected to run about 3 percent above year-earlier levels.

Crop related food prices will be up at least seasonally this summer and perhaps decline less than usual in the fall. For the year, prices will average moderately above 1971. Food fats and oils are expected to register another price boost for the year, but the increase will be much smaller than a year ago partly because of smaller exports and leveling of per capita consumption. Fresh fruit prices will rise more than seasonally this summer reflecting smaller supplies of non-citrus fruit, but by fall, the fruit price index will drop seasonally. Citrus prices may average below a year ago. Fresh vegetable prices may show a summer decline, but production is 4 percent smaller than a year ago. All items except carrots and tomatoes are expected to be in smaller supply in the third quarter, and prices may rise in the fourth quarter. A general price recovery is underway for potatoes with higher prices than a year earlier expected for the remainder of 1972. The fall crop acreage is down significantly from a year ago. Processed fruit and vegetable prices will show the sharpest gain of any crop-related food product. Total processed vegetable supplies are only moderately above a year ago. Canned and frozen non-citrus fruit supplies will be generally smaller than last year.

Prices by Food Group

Retail prices of food derived from livestock showed only a slight increase in the second quarter. Because of the sharp first quarter climb, however, the index averaged over 5 percent above a year ago. Crop related products rose less than 1 percent, significantly less than the normal seasonal increase, and were about 1 percent above a year ago when the index rose sharply.

Beef and Veal.—The upward spiral in beef and veal prices last winter came to an abrupt halt as prices eased in the spring quarter. When seasonally adjusted, the index showed a drop. The decline was due to sharp contraseasonal drops in both April and May. However, beef cattle prices began trending up again in late April, and by June the retail beef index was up again, although still below the February peak. The retail rise would have been even greater had margins not absorbed some of the farm price gains. In June, margins were below a year ago. Because of the major increase in winter prices, the beef index averaged over 8 percent above a year ago.

Pork.—Retail pork prices rose 1 percent from the first quarter, and were 13 percent above the very low levels of a year ago. The quarterly increase was lessened by reductions in the margin, which averaged 20 percent below the very high level of a year ago. The farm value was much higher than last year and began approaching the peaks of 1969-70.

Poultry and Eggs.—Retail poultry prices averaged the same as last year in the second quarter, despite heavier output of broilers and turkey. The quarterly drop in retail prices was contraseasonal. Egg prices were well below the first quarter, and 5 percent less than the depressed levels of a year ago. Supplies are averaging well above 1971, and demand for table use appears to be weak despite high prices of meat and fish.

Fish.—The retail fish price index averaged 8½ percent above a year ago in the second quarter, and despite an increase in supplies, the index was up more than 2½ percent over the first quarter. Although imports were up significantly, price increases at all marketing levels were reflected at retail, causing a leveling off in consumption. As a result, stocks were up sharply by the end of the first half of 1972.

Dairy.—The retail index for dairy prices, about 2 percent above a year ago in the second quarter, was up only fractionally from the first quarter. Butter prices were down somewhat, and ice cream prices were about the same as in the first quarter. Cheese prices were up substantially. Fresh milk at grocery stores, the major component in the index, increased only slightly from the first quarter.

Fats and Oils.—Second quarter retail prices of food fat products averaged 2½ percent above a year ago, after sharply dropping from the first quarter. The leveling in prices, following the record gain in 1971, reflects an easing in demand and increased supplies for domestic use. Per capita consumption will be off slightly from last year and export sales are lagging.

Fruits and Vegetables.—Retail prices of fresh vegetables and potatoes fell contraseasonally in the second quarter and averaged below the index a year ago. Supplies of most vegetables were averaging above a year ago in the winter and spring months, with tomatoes and sweet corn showing the highest gains.

Potato prices were up slightly from the first quarter, but were down sharply after seasonal adjustment. The index was still well below the second quarter of 1971, reflecting the abundant supply from the large crop in 1971.

Fresh fruit prices showed the sharp seasonal drop which normally occurs in the spring quarter. An ample

supply of citrus held down the index, with oranges and grapefruit prices lower than in the first quarter. The fresh fruit index averaged 4 percent above a year ago, however, reflecting lower supplies of most deciduous fruit.

Processed fruit and vegetable prices were over 4 percent above a year ago, but were up less than ½ percent from the first quarter.

Other Foods.—Cereal and bakery product prices averaged fractionally above a year ago, and the quarter-to-quarter gain was minimal. Nonalcoholic beverage prices were down from last year, reflecting lower coffee prices. Prices of sugar and sweets were about 2 percent higher than last year.

Wholesale Prices

In contrast to the sharp quarterly increase for industrial commodities, the Wholesale Price Index (seasonally adjusted) for all foods showed no change in the second quarter, primarily reflecting the sharp drop in April (table 18). By June, the index was up drastically, but still below the February peak, reflecting higher meat prices. The WPI for all foods was 3 percent above the second quarter of 1971, while industrial commodities were 3½ percent higher.

A contraseasonal decrease in quarterly beef and fresh fruit and vegetable prices and a decline in the poultry index contributed to the steadying in the food price index. Pork prices dropped slightly but averaged 22 percent above last year's depressed levels. Although the decline for eggs was less than seasonal, the index continued well below 1971. Fish prices were lower than in the first quarter, but were 18 percent above last year.

FOOD SPENDING AND INCOME

Food expenditures, moving ahead at the most rapid pace in 2 years, increased 2.2 percent to $123.3 billion (seasonally adjusted, annual rate) in the second quarter (table 2).[1] At this level, food spending was 5.5 percent higher than a year ago. All of the quarterly advance was due to a $3 billion increase in expenditures for food at home. Expenditures for food away from home dropped slightly.

Change in food expenditures, second quarter, 1972

Item	From first quarter 1972	From second quarter 1971
	Percent	*Percent*
Total Food		
Current dollars	2.2	5.5
1958 dollars	1.7	1.7
Food at home		
Current dollars	3.2	5.4
1958 dollars	2.7	1.7
Food away from home		
Current dollars	-1.1	6.1
1958 dollars	-2.2	1.6

The sharp advance in food expenditures from a year ago was still much less than the 8 percent rise in total personal consumption expenditures. Of the $52.1 billion rise, $16.4 billion came in the second quarter following a strong $15.6 billion gain in the first quarter. Almost half of the second quarter increase was due to advances for nondurable goods. Durables, up $2.6 billion, advanced at half the pace of the first quarter. The increase for services was about the same as in the earlier quarter.

Disposable personal income rose $12.4 billion to reach a $782.9 billion total (annual rate), all of which was due to increases in wages and salaries to civilian employees. The increase was $4 billion less than the advance for personal consumption expenditures. As a result, the savings rate declined from 7.2 to 6.6 percent, continuing the steady decline of the past year.

Quarterly changes in personal expenditures and retail sales

Item	1971		1972	
	III	IV	I	II[1]
	Percent	*Percent*	*Percent*	*Percent*
Total personal consumption expenditures	1.6	1.5	2.3	2.4
Durable goods	4.1	0	4.6	2.3
Nondurable goods	.5	1.8	1.7	2.8
Food	.4	.9	1.9	2.2
Other	.6	2.4	1.6	3.2
Services	1.7	1.7	2.0	2.0
Retail sales	2.6	1.8	1.2	2.8
Food Stores	.3	-.1	1.7	[2]5.0
Grocery stores	.6	-.2	1.9	[2]5.1
Eating and drinking places	.8	3.9	2.7	[2]-1.1

[1] Preliminary. [2] Estimated by ERS.

Personal income, taxes, outlays and savings: Changes from previous quarter (seasonally adjusted)

Item	1971		1972	
	III	IV	I	II[1]
	Bil. dol.	*Bil. dol.*	*Bil. dol.*	*Bil. dol.*
Personal income	9.8	13.6	25.5	15.5
Personal tax and nontax payments	2.3	5.5	13.5	3.1
Disposable personal income	7.5	8.1	12.0	12.4
Personal outlays	10.6	9.8	15.7	16.6
Personal saving	-3.1	-1.7	-3.6	-4.2

[1] Preliminary.

[1] All data on spending and income are based on the U.S. Department of Commerce's recent revision of the national income accounts for 1969 to date. Data for the second quarter 1972 are preliminary.

Table 2.--Expenditures for food in relation to disposable income, 1960 and 1965-72 1/

Year	Disposable personal income	Personal consumption expenditures for food 2/					
		For use at home 3/		Away from home 4/		Total	
		Amount	Percentage of income	Amount	Percentage of income	Amount	Percentage of income
	Bil. dol.	Bil. dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.
1960	350.0	56.8	16.2	13.3	3.8	70.1	20.0
1965	473.2	69.3	14.6	16.5	3.5	85.8	18.1
1966	511.9	73.8	14.4	18.2	3.6	92.0	18.0
1967	546.3	74.5	13.6	19.4	3.6	93.9	17.2
1968	591.0	79.0	13.4	20.7	3.5	99.7	16.9
1969	634.4	82.0	12.9	22.1	3.5	104.1	16.4
1970	689.5	90.2	13.1	23.9	3.5	114.2	16.6
I	667.9	87.3	13.1	23.4	3.5	110.7	16.6
II	687.2	89.4	13.0	23.9	3.5	113.3	16.5
III	699.1	91.4	13.1	24.2	3.4	115.6	16.5
IV	704.0	93.0	13.2	24.2	3.4	117.2	16.6
1971	744.4	92.4	12.4	24.9	3.4	117.3	15.8
I	725.7	92.0	12.7	24.5	3.4	116.5	16.1
II	742.9	92.3	12.4	24.6	3.3	116.9	15.7
III	750.4	92.5	12.3	24.8	3.3	117.3	15.6
IV	758.5	92.6	12.2	25.7	3.4	118.3	15.6
1972							
I	770.5	94.3	12.3	26,4	3.4	120.6	15.7
II 5/	782.9	97.2	12.4	26.1	3.3	123.3	15.7

1/ Quarterly data are seasonally adjusted annual rates. 2/ Derived from data of Department of Commerce, Survey of Current Business and The National Income and Product Accounts of the United States, 1929-65, assuming one-fourth of purchased meals and beverages is alcoholic beverages and the balance of reported alcoholic beverages is for off-premise use (consistent with 1963 Census of Business Merchandise Line Sales). Omits alcoholic beverages, food donated by Government agencies to schools and need persons, and non-personal spending for food such as business purchases of meals, food furnished inmates of hospitals and institutions, and food included with transportation tickets and camp fees. 3/ Includes food consumed on farms where produced. 4/ Includes food served to the military and employees of hospitals, prisons, and food service establishments. 5/ Preliminary.

Table 3 .--Federal cost of USDA food programs, 1969-72 1/

Year	Food stamps		Food distribution 3/				Child nutrition 5/				Total 6/
	Total issued	Bonus stamps 2/	Needy families	Supplemental food 4/	Schools	Institutions	School lunch	School breakfast	Special food	Special milk	
	Million dollars										
1969	703	272	256	4	256	24	227	8	5	100	1,152
I 7/	163	69	67	8/	84	8	67	2	8/	31	328
II	171	64	60	1	43	7	51	2	1	26	255
III	178	68	64	1	37	5	26	1	2	12	216
IV	190	71	66	2	92	4	83	3	1	31	353
1970	1,926	1,103	300	12	272	25	360	14	25	96	2,207
I	287	153	75	2	102	6	94	4	2	32	469
II	433	258	78	3	35	7	87	4	3	26	500
III	536	315	76	4	36	7	40	1	19	10	509
IV	670	377	70	4	99	6	139	6	2	28	730
1971	3,081	1,693	314	15	284	25	594	21	31	92	3,070
I	740	410	85	4	109	6	185	7	3	30	839
II	758	420	83	4	35	6	149	5	6	23	731
III	764	424	74	4	36	6	57	2	18	10	633
IV	796	439	72	3	104	6	203	7	4	29	868
1972											
I	844	466	76	4	114	6	249	8	4	30	957
II 9/	870	471	68	4	36	6	181	6	6	31	809

1/ Totals may not add due to rounding.
2/ Includes Food Certificate Program.
3/ Cost of food delivered to State distribution centers.
4/ Includes special food services for preschool and school age children in nonprofit institutions.
5/ Money donated for local purchase of food. Excludes nonfood assistance.
/ Excludes those food stamps paid for by the recipient.
7/ Estimated.
8/ Less than 0.5 million.
9/ Estimated.

Retail Sales

Preliminary estimates of total retail sales (seasonally adjusted) indicate an increase of almost 3 percent from the first quarter. Grocery store sales rose about 5 percent, nearly 3 times the rate during the first quarter this year. Eating and drinking place sales declined an estimated 1 percent.

Outlook

For all of 1972, increases in prices, along with some growth in population, will push expenditures up about 5½ percent. Disposable income may increase around 7 percent. As a result, the share of disposable personal income allocated to food expenditures may decline slightly from the 15.8 percent recorded in 1971.

Food Programs

The number of people participating in the USDA food programs declined slightly during April and May relative to the first quarter of 1972. Increases in the food stamp program participation were more than offset by decreases in the family donation program and the number of children participating in the school lunch program. Participation during April and May remained slightly higher than the same period a year ago with an average increase of almost 4 percent. However, this increase is much smaller than the very large increases between 1970 and 1971.

Participation in the food stamp program increased 10 percent during the 12 month period while participation in the family donation program decreased 16 percent resulting in a net gain of ½ million participants. Small increases in the participation in the school lunch and school breakfast programs also help to offset decreases in the family donation program. The decline in family food donation program over the year was due primarily to shifts to food stamp program in many areas.

The cost to the Government of the food programs (including bonus food stamps) declined 7 percent relative to the first quarter, much more than the seasonal drop last year (table 3). The value of food distributed to families declined a tenth and food to schools was off two-thirds as schools worked off stocks of food in anticipation of the end of the school year. The value of food stamps, comprising over 50 percent of the total food program in the second quarter, was up 3 percent.

The value of food programs was a tenth greater than in the April-May period of 1971. Bonus stamps increased 12 percent, and the value of the School Lunch Program increased 21 percent, while the value of the other child nutrition programs and commodities donated to schools remained relatively unchanged. These increases were partly offset by a 20 percent decrease in the value of commodities distributed to needy families.

USDA food programs accounted for just under 3 percent of total personal expenditures for food. If the value of food stamps paid for by recipients is included, the USDA food programs cover over 4 percent of the expenditures for food.

PER CAPITA FOOD CONSUMPTION

Although per capita consumption of food this year may not match the record 1971 level, it likely will exceed any other year (table 4). The one-half percent decline forecast for this year will be led by reductions in red meat and fruit. Small declines are expected for vegetables, animal fats, eggs, and coffee. Over half of the drop for meat, however, will be offset by a large increase in poultry. Slightly more fish is also in prospect. Small increases also are expected for sugar and sweeteners, dairy products, vegetable oils, and melons. Per capita supplies of livestock products likely will decline slightly less than crop foods.

Unfavorable winter and spring weather reduced expectations for summer and fall crops of deciduous fruits and to a lesser degree affected vegetable supply prospects. Recent reports indicate per capita consumption of both fresh and processed fruits will be down about 3 percent and fresh vegetables may be 2 percent below last year's level. With stepped-up acreage of vegetables for processing, however, the expected slight increase in canned supplies and moderately more frozen vegetables will permit another per capita consumption advance for processed vegetables.

Though per capita meat supplies will be 1 percent lower than in 1971, seasonal availability is following a more or less normal pattern. Consumption of meat in the second half of 1972 is expected to be up 1½ percent over the first half, only slightly less than usual. This year beef accounts for all of the increase.

In the first quarter, with poultry consumption 7 percent higher and eggs up a little, total use of livestock foods averaged slightly higher than a year earlier (table 5). But it is expected to trail 1971 levels the remainder of the year. The widest difference will be in the third quarter when meat consumption, increasing less than seasonally expected, may fall 3 percent below the very large quantity consumed in this period last year when pork consumption was much higher. Poultry is the only item for which consumption will remain higher than in 1971 throughout the year.

Consumption of each major livestock food moved in the seasonally-expected direction in the second quarter, but there was variation in the degree of change for some items. Meat use declined less than normal and poultry and dairy product consumption increased less than seasonally expected.

On a seasonally adjusted basis, consumption of livestock products in the second quarter was at the lowest level in a year and a half. Although supplies of meat products will increase in the second half, the

Table 4.--Per capita food consumption index, 1960-72 1/
(1967=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy products 2/	Fats and oils			Fruits 3/		
						Animal 2/	Vegetable	Total	Fresh	Processed	Total
1960	92	75	95	104	106	123	81	96	111	95	103
1961	92	82	99	101	104	125	78	95	107	92	99
1962	93	81	98	101	105	123	81	96	102	96	99
1963	96	82	99	98	104	119	85	97	93	88	90
1964	98	84	97	98	104	116	90	99	98	85	91
1965	94	89	101	97	103	111	92	99	100	90	95
1966	96	96	100	97	102	99	102	101	100	90	95
1967	100	100	100	100	100	100	100	100	100	100	100
1968	103	99	102	99	101	103	104	103	98	97	97
1969	102	103	102	98	100	95	110	105	98	102	100
1970	104	108	109	99	99	90	116	107	101	103	102
1971	107	109	103	99	99	90	114	105	99	105	102
1972 4/	106	113	104	99	99	86	114	104	96	102	99

	Vegetables 5/			Potatoes and sweetpotatoes		Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food		
	Fresh	Processed	Total	Fresh	Processed				Animal products	Crops 6/	Total
1960	107	84	99	129	56	103	98	100	95.7	97.1	96.4
1961	104	85	98	127	59	102	98	102	95.8	96.4	96.0
1962	102	89	97	121	64	101	99	102	96.2	96.5	96.3
1963	101	89	97	124	69	100	99	105	97.3	95.9	96.6
1964	100	91	97	113	76	101	99	102	98.8	96.4	97.6
1965	100	95	98	105	86	101	99	99	96.9	97.6	97.2
1966	98	97	98	106	98	99	100	99	98.1	98.6	98.3
1967	100	100	100	100	100	100	100	100	100.0	100.0	100.0
1968	99	104	100	101	106	101	103	100	101.5	101.1	101.2
1969	99	104	101	94	118	101	104	97	101.2	102.0	101.5
1970	100	104	101	91	121	98	106	94	102.5	103.1	102.8
1971	99	105	101	90	125	99	106	92	104.0	102.8	103.5
1972 4/	97	106	100	87	126	99	107	91	103.6	102.3	103.0

1/ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. Data for earlier years are given in the 1970 Supplement to Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, November 1971. 2/ Includes butter. 3/ Excludes melons and baby food. 4/ Preliminary. 5/ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes. 6/ Includes melons, dry beans and peas, nuts, soup, and baby food in addition to groups shown separately.

Table 5.--Livestock products: Per capita consumption indexes, quarterly, 1969-72 1/
(1967=100)

Year and quarter	Meat	Poultry	Eggs	Dairy products: Excluding butter	Dairy products: Including butter	Animal fats including butter	Total livestock products 2/
1969 I	102.9	85.2	99.4	98.2	98.7	100.7	99.3
II	99.5	97.3	97.0	102.8	102.2	88.1	99.7
III	102.7	106.9	96.9	100.6	100.1	95.6	101.9
IV	103.7	123.5	99.1	99.2	99.2	95.2	103.8
1970 I	101.5	91.8	98.9	98.9	98.9	99.4	99.4
II	100.8	102.1	96.5	100.4	99.4	83.7	99.9
III	104.8	113.2	97.2	100.2	99.7	84.3	103.1
IV	109.7	124.5	101.0	98.5	98.6	93.9	106.7
1971 3/ I	106.2	92.8	100.5	98.8	98.9	98.8	101.9
II	106.1	99.8	98.8	100.2	99.3	83.7	102.4
III	109.0	113.0	97.1	101.2	100.2	88.1	105.5
IV	107.6	128.7	100.7	99.4	99.5	91.3	106.3
1972 3/ I	105.4	99.7	101.4	99.3	98.8	90.4	102.2
II	104.3	105.9	98.1	99.9	99.0	82.4	102.0

1/ Civilian consumption only. Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combined in terms of average 1957-59 retail prices. Data since 1955 are in the 1970 Supplement to Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, November 1971.

2/ Excludes fish and honey.

3/ Preliminary.

increase is expected to be smaller than usual. Thus the seasonally adjusted index for meat will run lower than in the second quarter. This decrease together with expected seasonally adjusted declines for poultry and eggs may be offset by an increase for dairy products.

Per capita food consumption indexes, seasonally adjusted

Period	Total livestock	Meat
	1967=100	
1970 I	101.2	101.3
II	101.0	102.9
III	102.8	104.7
IV	104.0	107.9
1971 I	103.8	106.0
II	103.5	108.3
III	105.2	108.9
IV	103.6	105.8
1972 I	104.1	105.2
II	103.1	106.4

Commodity Reviews

Meat.—Consumption of red meat in the first half of 1972 averaged about 94 pounds (carcass weight) per person, down about a pound from a year earlier. Smaller pork consumption more than offset a small gain in beef and accounted for most of the decline. Use of veal and lamb and mutton were also less than during January-June 1971. The same conditions are expected to continue in the second half as gains in beef will be more than offset by declines for other meats. Thus, the general rise in meat consumption in recent years is cooling this year.

Per capita beef consumption in the first half averaged a little above January-June 1971 when consumption totaled 55.8 pounds per person. Production and imports were up enough to more than offset population growth. In the second half, beef consumption probably will be up again, reflecting larger production and some further increase in beef imports.

Veal consumption has been declining sharply in recent years and a further drop is underway this year. Smaller dairy calf crops and strong demand for replacement cattle by feedlot operators account for the downtrend in slaughter. Second half veal consumption will continue under last year.

Pork consumption during January-June was about 1.5 pounds per person less than the 36 pounds consumed in 1971. Second half consumption will stay below a year earlier and consumption per person for the year will total around 5 pounds less than the 73 pounds consumed last year (table 6).

Lamb and mutton consumption has been lower in recent years and in the first half of 1972 use declined again. Supplies will continue smaller in the second half due to a smaller 1972 lamb crop.

Poultry.—A new high for consumption of both chicken and turkey will be recorded this year. Per capita consumption of chicken will likely be 3-4 percent above the 41.4 pounds of 1971. Output in January-May in Federally inspected slaughter plants was up 10 percent. Although the year-to-year margin will narrow in the second half, output will continue moderately above 1971.

January-May turkey meat output was up 14 percent over a year earlier. Consumption increased even more, leaving stocks on June 1, about the same as a year earlier. For the year, however, per capita consumption will likely advance about 5 percent over the 8.5 pounds of 1971.

Eggs.—Despite large supplies and relatively low retail prices, egg consumption likely will decline from the 322-egg per person level of last year. The high level of prices for meat and poultry apparently has had little impact on declining demand for eggs.

Egg output through May averaged 1 percent higher than a year ago, with most of the increase early in the year. Production in May slipped below a year ago, the first reduction since mid 1969. It will likely continue below last year during summer and fall, and for the year average only slightly above 1971. However, storage stocks are large and supplies will be ample in coming months. On June 1, cold storage stocks of egg products totaled 80 million pounds, a fifth more than a year earlier and 67 percent more than 2 years ago.

Fishery products[1]—U.S. supplies of edible fishery products improved during the first half of 1972 as high U.S. prices attracted nearly 20 percent more imports than a year earlier. With domestic landings lower, total supplies were 10 to 15 percent above 1971. However, production will be down and imports will likely be curtailed in remaining months of the year. Consumer resistance to high prices is expected to limit any rise in per capita fish consumption during 1972.

Imports of fish blocks—for use in processing sticks and portions—were a third larger than a year ago through May. Production of sticks and portions increased 15 percent in the first quarter. But sales of these products slackened and inventories remaining on June 1 were 15 percent above a year earlier. Supplies of shrimp through June were 6 percent higher than last year as a result of a 22 percent increase in imports.

The supply of canned fish likely will be up slightly this year. Production of canned tuna has been running well ahead of last year. But a prospective drop in production of canned salmon this summer will be largely offsetting.

Despite the encouraging supply situation, per capita consumption of fish will likely inch up 0.1 pound in 1972—to 11.3 pounds. Consumption of canned fish may remain the same as last year's 4.3 pounds per person, but

[1] Prepared from materials submitted by Market Research and Services Division, National Marine Fisheries Service, Dept. of Commerce.

Table 6 .--Civilian per capita consumption of major food commodities (primary distribution weight) and civilian population, selected years 1/

Commodity	1960	1967	1968	1969	1970	1971	1972 indications as percentage of 1971
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Percent
Meats (carcass weight)	160.9	178.3	183.2	182.5	186.3	191.8	99
Beef	85.1	106.5	109.7	110.8	113.7	113.0	102
Veal	6.1	3.8	3.6	3.3	2.9	2.7	81
Lamb and mutton	4.8	3.9	3.7	3.4	3.3	3.1	97
Pork (excluding lard)	64.9	64.1	66.2	65.0	66.4	73.0	94
Fish (edible weight)	10.3	10.6	11.0	11.2	11.8	11.2	101
Poultry products:							
Eggs (farm basis)--Number	335	324	321	318	319	322	99
Chicken (ready-to-cook)	28.1	37.2	37.5	39.1	41.4	41.4	104
Turkey (ready-to-cook)	6.1	8.6	7.9	8.3	8.2	8.5	105
Dairy products:							
Cheese	8.3	10.1	10.6	11.0	11.5	12.2	105
Condensed and evaporated milk	13.7	9.0	8.9	7.9	7.1	6.8	93
Fluid milk and cream (milk equivalent)	322	285	280	272	264	259	98
Ice cream (product weight)	18.3	17.8	18.4	18.0	17.7	17.6	102
Fats and Oils--Total, fat content	45.3	49.4	51.2	51.9	53.3	52.1	99
Butter (actual weight)	7.5	5.5	5.7	5.4	5.3	5.1	96
Margarine (actual weight)	9.4	10.5	10.8	10.8	11.0	11.1	101
Lard	7.6	5.4	5.6	5.1	4.7	4.3	86
Shortening	12.6	15.9	16.3	17.1	17.3	16.8	99
Other edible fats and oils	11.5	15.1	16.0	16.8	18.2	18.1	102
Fruits:							
Fresh	93.4	80.9	78.3	79.0	81.4	80.1	98
Citrus	33.7	31.6	26.3	28.3	28.6	29.3	100
Apples (commercial)	18.3	16.2	15.7	15.1	18.5	16.2	106
Other (excluding melons)	41.4	33.1	36.3	35.6	34.3	34.6	93
Processed:							
Canned fruit	22.6	22.6	21.9	24.2	23.3	21.9	97
Canned juice	13.0	11.7	12.2	14.6	14.2	15.4	97
Frozen (including juices)	9.1	10.1	9.4	9.3	9.8	10.2	97
Dried	3.1	2.8	2.8	2.7	2.7	2.6	88
Vegetables:							
Fresh 2/	105.9	98.1	98.7	98.9	99.5	98.7	98
Canned, excluding potatoes and sweetpotatoes	43.4	48.9	50.5	51.3	50.9	51.2	100
Frozen, excluding potatoes	7.0	9.0	9.6	9.1	9.7	9.7	103
Potatoes, fresh equivalent	108.4	111.5	115.8	117.5	118.4	121.0	98
Sweetpotatoes, fresh equivalent	7.1	5.8	5.7	5.8	5.5	5.0	100
Grains:							
Cornmeal and flour	6.6	7.2	7.4	7.4	7.4	7.4	100
Corn sirup	10.1	14.1	14.8	15.4	15.8	16.2	102
Corn sugar	3.7	4.6	4.7	4.9	5.0	5.2	100
Wheat flour 3/	118	112	112	112	110	110	100
Wheat cereals	2.8	2.9	2.9	2.9	2.9	2.9	100
Rice, milled	6.1	7.5	7.9	8.3	6.7	7.6	100
Other:							
Coffee (green beans)	15.8	14.8	14.9	14.2	13.8	13.2	98
Tea	.59	.69	.73	.73	.72	.77	101
Cocoa beans	3.6	4.2	4.3	3.9	3.9	4.0	100
Peanuts (shelled)	4.9	5.7	5.8	5.9	5.9	6.0	---
Dry edible beans	7.3	6.9	6.3	6.8	5.9	6.0	100
Melons	25.8	22.4	22.4	23.1	23.4	22.7	103
Sugar (refined)	97.6	97.3	100.1	100.1	102.5	102.4	101
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Percent
Civilian population 4/	178.1	195.2	197.0	199.1	201.6	204.2	101

1/ Quantity in pounds, except for eggs. Data on calendar year basis except for dried fruits, which are on pack-year basis, fresh citrus fruits and peanuts on a crop-year basis, and rice on August 1 year. Fresh citrus year begins in previous October and rice year begins in previous August.

2/ Commercial production for sale as fresh produce.

3/ Includes white, whole wheat, and semolina flour.

4/ July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

use of fresh and frozen fish is expected to increase slightly.

Dairy.—Total commercial supplies of milk and dairy products in the first half of 1972 are estimated 1 percent above a year earlier and per capita supplies are about the same. Milk production on a daily basis was up more than 1 percent from a year earlier in January-June, and is expected to continue larger by about the same rate in the second-half. Commercial stocks of dairy products are running slightly above a year earlier, but government stocks are down. Milk and dairy product supplies during the remainder of 1972 should be more than adequate for commercial demand.

Some of the sharp increase in cheese production expected in 1972 may go to replenish the low stock carry-in this year, but per capita use is rising substantially. However, donations of cheese this year have been cut sharply, leaving an estimated 11 percent more per person moving through regular commercial channels during January-June. For the year, per capita consumption of frozen dairy desserts and dry whole milk are expected to increase, but use of canned milk and nonfat dry milk likely will continue declining. Fluid milk sales showed more strength in early 1972 than in recent years. Sales of low fat and skim milk continued to gain substantially (12 percent), but cream sales were also up slightly and fluid whole milk sales were running nearly at last year's level. Indications are that fluid sales (on a product weight basis) will increase this year.

If commercial disappearance of milk in all products could hold its January-June gains, dairy sales for 1972 would increase significantly for the first year since 1966. Favorable circumstances this year include the relatively small prospective increases in retail dairy prices and rising meat prices. The current aggressive dairy promotion program together with rising personal incomes and the broadened food stamp plan also are contributing.

Fats and oils.—Per capita consumption in 1972 is expected to total close to the 52 pounds (fat content) consumed last year. This will be the second consecutive year that consumption has failed to increase, following the generally rising trend of the past decade. Declines are expected for butter, lard, and shortening. Direct use of lard is expected to be down sharply reflecting smaller supplies and the trend toward less use of animal fats; use in margarine and shortening also will be down. However, increased use of margarine and cooking and salad oils will be partially offsetting.

Edible use of peanuts is estimated at about 6 pounds per person (kernel basis), not much changed from the past several years. Peanut supplies are in excess of commercial demand at prices dictated by the support level and CCC has acquired the surplus.

Fruit.—Fruit consumption in 1972 probably will be lower because of reduced expectations for non-citrus supplies. Winter tree damage, spring freezes and poor pollination conditions combined to lower production prospects.

New estimates point to a 3 percent decline in per capita consumption from 1971 levels—for both fresh and processed forms. For fresh fruits, all of the decline will be in non-citrus fruits other than apples. Reductions are expected for all processed fruit categories except chilled citrus products. Limited raisin supplies will cause a major reduction for dried fruits. Per capita use of frozen fruit will likely be down substantially. Lesser reductions are expected for frozen citrus juice and canned fruits and juices.

The deciduous fruit crop (excluding grapes, prunes, and plums outside California) is expected to be 6 percent less than last year and 9 percent under 1970. Only the apple, tart cherry, California plum, and nectarine crops are expected to be larger. The apple crop is forecast up 1½ percent, with production in the Western States up 9 percent, the East up slightly, and Central States down 3 percent. Peach production may be down 12 percent; the crop excluding California clingstones will be down even more sharply. Pear output will be fifth less than last year's huge output but 4 percent larger than the 1970 crop. California grapes suffered severe damage from spring frost. Grape production is estimated off 35 percent, with raisin varieties down 40 percent, table varieties 29 percent, and wine varieties 23 percent less than last year. This is the smallest grape crop in 30 years.

Stocks of canned and frozen noncitrus fruits are generally smaller than year-ago low levels, and reduced pack prospects will result in short supplies of many processed fruits. Such items as canned apricots and sweet cherries and frozen and canned bushberries will be particularly short. However, supplies of some items, such as clinstone peaches and tart cherries, will continue large.

The summer citrus crop, largely for fresh use, is well above a year ago. The 1971/72 orange crop, up 1 percent to a record high, included reduced harvests of early and midseason oranges in Florida but larger supplies of California Navels and Florida Valencias. Grapefruit and lemon supplies this season are estimated 5 percent above last year. Prospects for the 1972/73 citrus crop, beginning harvest late in 1972, indicate another large outturn.

Stocks of many processed citrus items in early June were larger than a year ago. Though retail prices have been higher, movement out of storage has been brisk.

Vegetables.—Annual supplies of vegetables have not been seriously affected by adverse weather conditions this year. Even so per capita use in fresh form may decline about 2 percent and hit an all-time low. However, consumption of processed vegetables likely will increase, holding the decline of all vegetables to about 1 percent. Per capita consumption of melons will be up about 3 percent and use of sweetpotatoes and dry beans and peas will hold steady. Reduced acreage is bringing supplies of potatoes down from the excessive

Table 7.--USDA domestic donations of commodities to schools, institutions, and needy persons, 1966-71 1/

	1966	1967	1968	1969	1970	1971 2/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Meat						
Beef	53.1	100.0	73.2	91.1	76.7	61.7
Pork	---	---	11.2	57.7	32.7	103.5
Mixtures	51.0	83.0	63.4	61.6	66.2	66.4
Total	104.1	183.0	147.8	210.4	175.6	231.6
Poultry						
Turkey	20.2	61.2	53.8	42.7	66.0	52.5
Poultry, other	45.1	51.0	73.1	59.0	78.1	75.3
Total	65.3	112.2	126.9	101.7	144.1	127.8
Eggs - dried 3/	---	2.1	9.1	13.7	13.1	15.9
Dairy products						
Butter	50.9	108.4	141.3	166.4	168.3	170.5
Cheese	4.6	81.2	105.2	89.5	45.6	75.0
Nonfat dry milk	127.1	108.4	107.9	111.4	89.3	61.3
Evaporated milk	---	---	23.3	62.4	89.2	95.4
Milk, instant fortified	---	---	---	.2	32.2	63.5
Milk, beverage mix	---	---	.1	1.9	.5	---
Butter oil	---	---	---	---	---	.5
Total	182.6	298.0	377.8	431.8	425.1	466.2
Fats and oils						
Lard and shortening	90.0	78.9	77.5	76.1	73.3	78.7
Margarine	44.5	24.4	3.5	---	---	---
Salad oil	---	---	---	---	24.3	23.4
Fruits						
Fresh	---	18.4	5.1	4.8	81.9	37.1
Canned (including juice)	88.4	78.7	113.2	184.2	249.6	229.4
Dried	38.7	35.4	29.4	41.4	43.0	28.2
Frozen	4.7	109.1	32.7	5.8	15.8	22.0
Total	131.8	241.6	180.4	236.2	390.3	316.7
Vegetables						
Fresh	.5	---	---	---	---	---
Canned (including juice)	48.9	48.9	111.4	197.0	178.8	144.6
Dried beans and peas	37.8	83.5	65.5	81.2	84.9	86.6
Total	87.2	132.4	176.9	278.2	263.7	231.2
Potatoes and sweetpotatoes	24.2	14.7	40.4	47.5	46.0	47.9
Cereal products						
Bulgur	4.9	5.1	5.1	4.7	4.3	3.5
Cornmeal, grits, and flour	141.6	113.4	112.2	107.8	102.8	108.4
Oats (rolled)	.6	27.7	26.1	32.6	37.4	42.2
Rice	87.6	70.1	74.6	81.9	84.5	85.3
Wheat flour	445.2	399.0	409.6	430.6	442.1	490.6
Wheat (rolled)	43.6	21.6	21.6	17.9	16.8	13.9
Farina and macaroni	---	---	---	1.4	22.8	34.1
Total	723.5	637.9	649.2	676.9	710.7	778.0
Other 4/	42.9	37.1	52.5	87.2	91.8	95.1
Total all commodities	1,496.1	1,762.3	1,842.9	2,159.7	2,358.0	2,412.5
Percentage of U.S. total food consumption 5/	.6	.9	.9	1.0	1.1	1.1

1/ Includes commodities distributed under the National School Lunch Program; excludes distribution to U.S. Territories. Data are in terms of product weight so for some items are not comparable over time.
2/ Preliminary.
3/ Beginning 1968 includes scrambled egg mix.
4/ Includes peanut butter, corn sirup, and minor amounts of other items.
5/ Based on values at 1957-59 retail prices.

levels of a year earlier during the second half of 1972. However, per capita consumption for 1972 (fresh and processed forms) will likely equal last year's rate reflecting the using up of stocks from the large fall crop of last year.

The total 1972 potato acreage is 8 percent below a year ago. Summer production is substantially less than in 1971 and the important fall crop acreage is down 7 percent. Sweetpotato production is forecast about the same as last year. With average yields and an allowance for trends, dry bean production would be expected to be 7 percent more than a year earlier. Dry pea acreage is down more than a third and the production drop is expected to exceed 40 percent.

Production of fresh market vegetables this summer is 4 percent less than a year ago. All major items except carrots and tomatoes will be down. Watermelon supplies are larger, but the cantaloup harvest will be slightly smaller.

Current indications suggest a moderately larger canned vegetable pack and substantially increased production of frozen vegetables this year. Planted acreage of 8 of the 10 leading processing vegetables is 5 percent larger than last year. The important tomato acreage is 6 percent larger, with most of the increase in California. There is a moderate increase in sweet corn acreage this year, and a sharply larger lima bean planting. Cucumber pickle acreage is slightly larger. Prospective tonnage contracted for kraut-cabbage is up 11 percent. The larger vegetable acreage will be partly offset by reduced stocks as carryovers of all the important canned vegetable items will be moderate or light. Smaller stocks of frozen vegetables will partly offset larger production, leaving supplies moderately above 1971 levels.

USDA Commodity Donations in 1971

The total poundage of food donated to schools, institutions, and needy families increased nearly 2½ percent in 1971 (table 7). Donations to families increased 4 percent, to schools 1 percent, and institutions half a percent. Institutions received 5 percent, schools 43 percent, and families 52 percent of the poundage donated in 1971. The family share advanced 1 percentage point, and that for schools declined 1 point.

The value of commodity donations, measured in terms of constant dollars, increased 5 percent in 1971 and continued to represent slightly over 1 percent of all food consumed by U.S. civilians. Schools received 40 percent of the value of commodities donated, families 55 percent, and institutions 5 percent. The larger percentage of value than of poundage indicates families received somewhat higher priced foods than schools.

In constant dollar terms, donations of livestock products advanced 11 percent, led by a one-third gain for meat. Donations of eggs and dairy products (except butter) were each up over a fifth, but poultry donations declined more than 10 percent. There was little change for animal fats (primarily butter) which comprised almost a fourth of all animal products donated. Livestock products accounted for 57 percent of all food donated. As for food from crops, an 18 percent decline for fruits and vegetables slightly outweighed a 10 percent increase for cereals and 11 percent more vegetable oils (shortening, margarine, and salad and cooking oil).

Direct commodity donations made up a high proportion of the total amounts of some foods consumed by U.S. civilians in 1971. Butter, with 17 percent donated, dry beans (14 percent), and nonfat dry milk (12 percent) were leaders. Other important items, ranging from 7 to 3 percent donated, were canned milk, dry beans, rice, dried fruits, turkey, cheese, and canned fruits and juice.

Both schools and families gained a larger portion of meat in their package of foods during 1971. The total pounds of meat donated increased third. Pork donations in total were half again larger than in 1970, but this increase was partly offset by a decline of 20 percent for beef. Schools, receiving two-thirds of the value of meats donated, benefited the most. They received all the frozen beef and pork, and the families received almost all of the canned meat products donated.

Poultry donations were down 11 percent, because of a one-third drop for turkey; chicken donations were up 11 percent.

The relative importance of dairy products in the food package increased for both families and schools. In total, the increase in nonfat dry milk donations was relatively small (3 percent), but in family donations there was shift from nonfat dry milk to instant fortified milk, a higher quality product. A year earlier three-fourths of the dry milk donations was nonfat dry; in 1971 nonfat dry milk accounted for less than half. Butter donations moved up only slightly in 1971 from the high level of the past 2 years. Most of the increase in dairy donations was due to a return of higher levels of cheese donations. Almost all of the increase went to schools which had received relatively little cheese during the previous 2 years.

Donations of fruits and vegetables declined significantly during 1971. Total pounds of each declined 19 percent. Schools suffered the greatest loss, with the relative importance of fruits and vegetables in their package of food down 4 percentage points. Fruits and vegetables together retained their importance in family donations (table 8).

Tomato products continued to make up almost half of the canned vegetables donated in 1971 for the third year in a row. A virtual omission of tomato paste and a one third drop in canned corn donations were primarily responsible for the decrease in vegetable donations. Donations of vegetables were split fairly evenly between schools and families, with institutions receiving very little.

Donations of canned fruit declined a fourth and fresh fruit was cut in half in 1971. These declines were felt mostly by schools, which received over 90 percent of

Table 8.—Food distribution to schools, needy families, and institutions by type of food, 1971-72[1]

Commodity	Schools		Needy Families		Institutions		Total	
	1971	1972	1971	1972	1971	1972	1971	1972
Meat	3.9	5.3	3.6	4.1	---	0	7.5	9.4
Poultry	3.8	3.5	2.2	1.8	0	---	6.0	5.3
Scrambled egg mix	0	0	.6	.7	0	---	.6	.7
Dairy products	5.7	6.7	11.5	11.7	1.1	1.0	18.3	19.4
Fats & oils (excl. butter)	2.2	2.1	1.5	1.7	.4	.5	4.1	4.3
Fruits & vegetables	14.7	10.7	8.4	8.2	.4	.1	23.5	19.0
Dried beans & Peas	.9	1.0	2.8	2.8	.1	.1	3.8	3.9
Potatoes & sweetpotatoes	.5	.4	1.5	1.6	0	0	2.0	2.0
Cereal products	11.6	12.9	15.8	16.2	3.0	3.2	30.4	32.3
Peanut butter	.7	.7	1.3	1.2	---	0	2.0	1.9
Corn Sirup & honey	0	.1	1.8	1.7	0	---	1.8	1.8
Total	44.0	43.4	51.0	51.7	5.0	4.9	100.0	100.0

[1] Proportions of the total pounds of all foods to all recipients.

canned and all fresh fruit donated in the past 2 years. Somewhat offsetting was a 6 million-pound increase in frozen juice concentrate, a product that goes primarily to schools. Of the foods received mostly by families, canned fruit juice increased a fourth over the 1970 donation, but this was somewhat offset by a one-third drop in donations of dried fruit. Schools remained the largest recipient of fruit with 60 percent of the poundage, families received nearly 40 percent and institutions a very minor amount.

Cereal product donations increased 9 percent in 1971, primarily because of increases in flour, macaroni, cornmeal, and rolled oats. Half of cereal product donations went to families, 40 percent to schools and 10 percent to institutions. Flour made up 60 percent of the total cereal product donations in 1971; it represented 80 percent of the cereal donations to schools and 74 percent of donations to institutions, but only 42 percent of the donations to needy families.

SUGAR AND TROPICAL PRODUCTS SITUATION AND OUTLOOK

Sugar

Consumption holding steady

Per capita sugar consumption in 1972 may approximate last year's record level of 102.4 pounds. Total physical deliveries for the first 6 months were nearly 2 percent above the same period a year ago, pointing to little increase in per capita consumption.

Early in 1972, raw sugar prices moved up as refiners competed for available supplies in anticipation of a possible resumption of the East Coast dock strike. On February 23, U.S. consumption requirements were increased by the Secretary of Agriculture to 12.0 million tons (raw value) to keep the U.S. price (New York, spot raw) in line with the price objective of the Sugar Act. When the threat of strike was over, refiners began working down their high inventories and raw sugar prices declined as refiners remained relatively inactive in the marketplace.

The Secretary lowered the consumption requirements to 11.8 million tons as required by the U.S. Sugar Act when raw sugar prices for 7 consecutive marketing days ending on June 2 averaged 8.64 cents per pound, four percent below the price objective of 9.00 cents per

Sugar: Physical deliveries and per capita consumption, 1965-72

Calendar year	Deliveries (raw value)		Per capita consumption (refined)
	Total	Change from previous year	
	Million tons	*Percent*	*Pounds*
1965	10.0	1.6	96.6
1966	10.3	2.7	97.6
1967	10.3	.2	97.3
1968	10.7	4.1	100.1
1969	10.8	1.0	100.1
1970	11.2	3.3	102.5
1971[1]	11.4	1.5	102.0
	First 6 months		
1971[1]	5.4	---	---
1972[1]	5.5	1.8	---

[1] Preliminary.

Source: Deliveries derived from data in *Sugar Reports;* per capita consumption data compiled by ERS.

Table 9.--U.S. sweeteners and beverages: Selected prices, 1971 and 1972

Commodity	1971					1972	
	Year	I	II	III	IV	I	II
	Cents per pound 1/						
Sugar							
Raw:							
New York, duty paid	8.52	8.39	8.43	8.60	8.66	9.09	8.81
World, f.o.b. Caribbean	4.53	4.76	4.37	4.19	4.78	8.54	6.96
Quota premium 2/	2.87	2.43	2.90	3.30	2.81	-.52	.76
Refined:							
Wholesale							
Northeast, cane 3/	12.48	12.27	12.45	12.60	12.60	12.94	13.20
Chicago-West, beet or cane 3/	11.59	11.57	11.60	11.60	11.60	11.83	11.90
Pacific Coast, beet or cane 3/	11.37	11.27	11.40	11.40	11.40	11.40	11.70
Bulk, dry beet, f.o.b. plant 4/	10.28	10.20	10.36	10.30	10.24	10.29	
Retail, U.S. (5-pound package)	13.61	13.43	13.56	13.69	13.74	13.82	13.93
Corn sweeteners							
Wholesale, Chicago:							
Corn sirup 4/	6.43	7.36	7.16	6.15	5.07	4.65	4.45
Dextrose 4/	9.97	9.95	9.98	9.98	9.98	10.00	10.00
Cocoa and chocolate							
Wholesale, New York:							
Cocoa beans, "Accra"	26.8	28.3	26.3	28.1	24.5	26.9	30.0
Cocoa butter	54.2	54.8	52.6	58.3	51.5	60.9	65.8
Retail, U.S.:							
Chocolate bar (1-oz.)	6.7	6.7	6.7	6.7	6.7	6.7	6.7
Chocolate sirup (16-oz. container)	25.5	25.6	25.6	25.5	25.4	25.5	25.3
Coffee							
Wholesale, green, New York							
Colombian, Manizales	50.2	52.5	49.5	48.6	50.3	51.5	53.0
Mexican washed	46.3	46.2	46.3	46.1	46.5	46.5	47.3
Brazilian, Santos No. 4	46.1	52.7	44.2	43.2	44.3	44.9	47.6
Robusta, Ambriz No. BB	43.0	43.3	42.9	42.7	42.9	42.5	43.3
Retail, U.S.:							
Roasted, can	93.4	94.8	93.4	92.7	92.6	92.1	91.8
Roasted, bag	78.8	82.0	80.7	78.6	73.9	73.1	72.8
Instant soluble, (6-oz. jar)	109.3	108.5	109.1	109.8	109.9	110.2	109.9
Tea							
Wholesale, black tea:							
New York	48.8	48.5	48.0	48.6	49.9	51.4	53.0
Retail, U.S. (Package of 48 tea bags)	64.5	64.2	64.9	64.9	64.2	64.0	65.0
Soft drinks							
Wholesale, cola drinks (1967=100)	123.7	123.7	123.7	123.7	123.7	124.2	126.7
Retail, U.S.:							
Cola drinks (6 12-oz. bottles)	75.8	74.6	75.6	76.3	76.6	82.8	83.0
Carbonated fruit drink (6 12-oz. bottles)	72.6	71.5	72.6	73.0	73.2	72.6	72.8

1/ Except as noted. 2/ Difference between New York and world prices, adjusted to exclude about 1 cent for duty computed freight from Greater Caribbean ports (including Brazil), insurance, and unloading charges. 3/ Basis price, 100 lb. paper bags, carload lots. 4/ Carload lots, dry basis.

Source: Sugar prices from Sugar Reports; wholesale cocoa and cocoa butter prices from Journal of Commerce; all other data from Bureau of Labor Statistics.

pound. In the same action, about 100,000 tons of deficits were declared and reallocated pro rata to countries which could supply the sugar. The U.S. price has since moved upward. To trigger an increase in the quota, the U.S. price would have to exceed 9.46 cents per pound (as of August 4) for 7 consecutive marketing days. Recent prices were 9.25 cents per pound.

Prices mixed

Raw sugar prices declined early in the second quarter to 8.6 cents per pound, but have recovered and are now rising (table 9). Wholesale and retail prices of refined sugar increased slightly in the second quarter. If recent trends continue, prices at all levels will average higher in the second half than in the second quarter.

Delivery trends by areas mixed

U.S. sugar deliveries were up more than 2 percent nationally in the first half of this year. They declined slightly in the Chesapeake Bay area and West North Central States, but were up in all other areas (table 10). Deliveries were up sharply in the East North Central (excluding Illinois), West South Central, California, and the South Atlantic areas. Overall, beet sugar deliveries were up substantially and cane sugar deliveries were down slightly.

Domestic sugar crops—cane up, beets down

U.S. sugarcane acreage (exclusive of Puerto Rico) for harvest this crop year is estimated at 706,000 acres, up 9 percent from last year. This reflects a 20 percent jump in Florida and a 7-percent increase in Louisiana; acreage for harvest in Hawaii declined. Information is not yet available on Puerto Rican acreage, but it probably will not be more than last year.

Larger sugarcane acreage for harvest this crop year and prospective increases in yields will likely boost

U.S. Sugar crops: Acreage and production, 1970-72

Area	1970	1971	1972[1]
	Harvested acreage		
	Thousand acres		
Cane:			
Florida	178	200	240
Louisiana	286	326	350
Hawaii	120	122	116
Puerto Rico	189	153	([2])
Total	773	801	([2])
Continental beet	1,413	1,340	1,362
	Production		
	Million tons		
Cane:			
Florida	5.9	6.3	8.5
Louisiana	7.5	7.0	9.4
Hawaii	10.6	10.9	11.0
Puerto Rico	5.6	4.2	4.2
Total	29.6	28.4	33.1
Continental beet	26.4	27.0	25.9

[1] Preliminary estimate. [2] Not available.
Source; Statistical Reporting Service.

Table 10.— Refined cane and beet sugar deliveries, by specified areas, January through May, 1971-72

State, area, or region[1]	1971			1972			
	Beet	Cane	Total	Beet	Cane	Total	
						Quantity	Change from 1971
	1,000 tons	*1,000 tons*	*1,000 tons*	*1,000 tons*	*1,000 tons*	*1,000 tons*	*Percent*
New England	([4])	167	167	1	170	171	2.4
Middle Atlantic	10	795	805	23	796	819	1.7
Chesapeake Bay[2]	1	237	238	1	229	230	-3.4
Total Northeast[2]	11	1,199	1,210	25	1,195	1,220	.8
Illinois	251	195	446	283	167	450	.9
Other East North Central	199	358	557	268	344	612	9.9
Total East North Central	450	553	1,003	551	511	1,062	5.9
West North Central	176	112	288	178	102	280	-2.8
Total North Central	626	665	1,291	729	613	1,342	4.0
South Atlantic[3]	---	375	375	---	399	399	6.4
East South Central	---	209	209	---	216	216	3.3
West South Central	46	284	330	54	304	358	8.5
Total South[3]	46	868	914	54	919	973	6.5
California	209	141	350	241	135	376	7.4
Other Western states[5]	117	44	161	129	43	172	6.8
Total West[5]	326	185	511	370	178	548	7.2
Total United States	1,009	2,917	3,926	1,178	2,905	4,083	4.0

[1] As defined by Bureau of the Census except as noted. [2] Includes Delaware, Maryland, Virginia, West Virginia and District of Columbia. [3] Excludes States listed in footnote 2. [4] Less than 500 tons. [5] Excludes Hawaii.

Source: From data in *Sugar Reports.*

U.S.-grown sugar cane production to 33 million tons. Production is expected to be up in Florida and Louisiana because of expanded acreage and higher yields, and in Hawaii because of higher yields. Assuming normal recovery of sugar from the cane, cane sugar production will also be higher.

The picture is mixed for sugarbeets. Acreage for harvest is estimated at 1.36 million, up nearly 2 percent from last year. It is up in all major producing states except California, Kansas, Utah, and Wyoming. However, total production may decline slightly as yields ease from the 1971 record.

Beet sugar cooperatives are forming

A major change may be occuring in the ownership of sugarbeet processing plants. Two beet sugar companies with plants located in Colorado and the Red River Valley area of Minnesota-North Dakota are negotiating to sell their physical assets (processing plants, warehouses, carryover sugar stocks, etc.) to the farmers who now sell their beets to the companies. In each case the farmers would form a cooperative to perform the processing and marketing functions now performed by the companies. These transfers of ownership would affect about a third of total beet sugar production. In addition, beet growers in Southwestern Minnesota and in the Red River Valley have organized cooperatives with the intention of building two new beet processing plants.

Corn sweeteners

Corn sirup shipments of 340,000 tons in the first quarter this year were up nearly 10 percent from a year ago. Conversely, dextrose deliveries of 130,000 tons were down nearly 5 percent from first quarter deliveries a year ago. Corn sirup shipments were up for all major uses except beverages, while dextrose shipments were down for all uses except confectionery.

Honey situation

This year's honey crop will probably recover from last year's low level of 206 million pounds. Crops in the Midwest may recover to average levels but a relatively poor crop is in prospect for California.

The short honey crop of 1971 had a sharp impact throughout the industry. Stocks declined sharply and honey prices at all levels jumped substantially over a year earlier.

Imports may set a record this year and exports may dip to the lowest level in several years.

Maple sirup output up

U.S. maple sirup production totaled 1.1 million gallons this year, up 14 percent from last year. The quality was good. Vermont and New York produced 340,000 gallons each, together accounting for over 60 percent of the total.

Confectionery sales increase

Manufacturers' shipments of confectionery products totaled 3.98 billion pounds last year, up nearly 1 percent from the previous year (table 11). The value of these products totaled over $2.0 billion for the first time, nearly a 5-percent increase over 1970. Per capita consumption declined slightly to 19.8 pounds last year, continuing a slight decline from a recent peak of 20.3 pounds in 1968.

The confectionery industry used about a tenth of total sugar deliveries and nearly three-tenths of corn sirup deliveries.

Table 11.—Confectionery shipments, sales, average value, and consumption, 1966-71

Year	Manufacturer's[1]			Per capita consumption[2]
	Shipments	Sales	Average value per pound	
	Billion pounds	*Billion dollars*	*Cents*	*Pounds*
1966	3.67	1.54	42.1	19.2
1967	3.77	1.64	43.7	19.6
1968	3.91	1.76	44.9	20.3
1969	3.99	1.87	47.1	20.2
1970	3.94	1.91	48.5	19.9
1971	3.98	2.00	50.4	19.8

[1] Includes data for manufacturer-wholesalers, chocolate manufacturers, and manufacturer-retailers, except single shop. [2] Production plus imports minus exports divided by population on July 1.

Source: Bureau of Domestic Commerce, U.S. Department of Commerce.

Soft drinks consumption up again

Per capita soft drink consumption totaled 23.8 gallons last year, up more than a gallon from 1970 (table 12). About 11 percent of total consumption last year consisted of low-calorie soft drinks compared with only 7 percent in 1970. U.S. soft drink production totaled 3.35 billion cases (24 8-oz. containers) in 1971, up 8 percent from the previous year. Manufacturer sales value totaled over $5 billion—a record and more than 11 percent above the previous year.

Table 12.—Soft drinks: Production, sales, average value, and consumption, 1966-71

Year	Manufacturers'			Per capita consumption	
	Production	Sales	Average value per case[1]		
	Billion cases[1]	*Billion dollars*	*Dollars*	*8-ounce unit*	*Gallons*
1966	2.35	3.18	1.35	287	17.9
1967	2.47	3.46	1.40	298	18.6
1968	2.78	4.17	1.50	332	20.7
1969	2.91	4.37	1.50	344	21.5
1970	3.10	4.80	1.55	363	22.7
1971	3.35	5.35	1.60	381	23.8

[1] Includes fountain sirup; equivalent cases of 24 8-oz. containers.

Source: *1971 Sales Survey of the Soft Drink Industry*, National Soft Drink Association, Washington, D.C. 1972. p. 16.

The beverage industry uses over 22 percent of annual sugar deliveries and is second only to consumer packages as a market for sugar. Based on the past uptrend, it appears soft drink consumption will increase again this year, and will be accompanied by another increase in sugar use.

Coffee

Per capita use down again

Per capita coffee consumption totaled 13.2 pounds in 1971, down from 13.8 pounds in 1970, a sharp drop which continues the downtrend since 1960. All of the 0.6 pound decline occurred in regular coffee. Per capita consumption of instant coffee was unchanged.

There are some signs, however, that the long-term decline in consumption may be leveling off. All of the decline in U.S. roastings in 1971 occurred in the first half. Since the third quarter of 1971 coffee roastings have increased. In the year ended June 30 1972, total U.S. roastings increased nearly 3 percent. Instant coffee production was up over 1½ percent and regular coffee more than 2½ percent.

U.S. Coffee roastings, by type, quarterly, 1971-72

Period	Roasted coffee	Instant coffee	Total
	Million pounds	*Million pounds*	*Million pounds*
1971			
I	566	117	683
II	510	107	617
III	498	95	593
IV	579	122	701
Total	2,153	441	2,594
1972			
I	584	119	703
II	552	112	664
Latest 4 quarters	2,213	448	2,661
	Change from a year ago		
	Percent		
1971			
I	-4.9	-0.6	-4.2
II	-9.7	-7.4	-9.3
III	5.4	7.7	5.8
IV	1.0	7.4	2.1
Total	-2.1	1.8	-1.4
1972			
I	3.2	2.7	2.9
II	8.2	4.7	7.6
Latest 4 quarters	2.8	1.6	2.6

Source: From *Green Coffee; Inventories, Imports, Roasting.* BG41-72-2. Bureau of the Census, U.S. Dept. of Commerce, issued August 1972. p. 3.

Coffee imports holding up

Green beans imports totaled 1.35 billion pounds the first half of this year, slightly less than last year's pace. Based on the imports thus far this year, roasted imports are expected to exceed last year's 25 million pounds (green bean basis). Similarly, instant coffee imports this year probably will exceed last year's 108 million pounds (green bean basis).

1972/73 crop up slightly

According to the Foreign Agricultural Service, the 1972/73 world coffee crop is expected to total about 73 million bags (132.3 pounds each). This would be nearly 2 percent larger than the 1971/72 crop and would be the largest since the 82-million-bag crop of 1965/66. Increases in Brazil, Colombia, and India ought to offset declines in El Salvador and Ivory Coast. Prospective exportable production (total harvested production less estimated domestic consumption in producing countries) will total over 53 million bags, up about 1.5 percent over last year. World import demand is currently estimated at 53 or 54 million bags, so exportable production and world imports are about in balance this year.

Coffee rust causes concern in Brazil

Since January 1970, the coffee rust fungus has been found in all Brazilian coffee-producing states.[1] The rust could affect coffee production; however, steps are being taken to control it. For example chemicals are being applied though treatment increases costs of production. Rust resistant varieties of coffee are being developed and will be available for planting after 1974. The new trees could begin producing in another 3-5 years, but these varieties are less productive than those currently being grown. The impact of the rust on Brazilian production may be limited if the corrective measures are successful. Even so, the long run outlook is for higher costs of production.

Recent frost boosts green coffee prices

A frost on July 8, damaged coffee trees in Brazil, particularly in the state of Parana. The frost had little effect on this year's crop, now largely harvested. Some coffee berries suffered minor damage but are still usable for coffee.

There are various estimates that next year's Brazilian production will decline by 4 to 7 million bags (132.3 pounds each) but usually the first estimates of frost damage to a coffee crop are overstated. As a result prices often rise sharply because of the overreaction. Currently coffee supplies appear adequate both in Brazil and in the world through June 1973, but the coffee market is anticipating a smaller crop next year and prices have risen accordingly. On July 26, mild coffee prices were already up 12 cents per pound over second quarter levels, and Robusta prices were up nearly 6 cents. Retail prices for July are not yet available, but apparently did not increase.

[1] See "Coffee Rust: A Menace to Brazil's Chief Export," *Foreign Agriculture*, part I, May 15, 1972, part II, May 22, 1972.

Green coffee prices may have overreacted to the recent frost. If the preliminary estimates of damage to next year's crop are overstated, then prices may decline somewhat from late July levels. In any event, third quarter green coffee prices will likely average significantly higher than second quarter levels.

Retail prices also likely to rise

Both retail and wholesale roasted coffee prices usually lag changes in green coffee prices by several months. However, wholesale prices of roasted coffee during the latter part of July were increased from 5 to 7 cents per pound by most roasters. Recent rises in wholesale prices of roasted coffee—consistent with the boosts in green coffee prices—may mean retail price increases as early as late summer or early fall.

Tea

Last year was a record year for tea imports which totaled 175 million pounds, well above the previous record of 155 million pounds in 1968. The increase accompanied a rise in per capita consumption to 0.77 pound last year (leaf equivalent basis), the highest level since the 0.81 pound in 1926.

Imports this year are not expected to exceed last year's record. In the first half of the year they were down 18 percent from a year earlier. However, tea demand continues brisk and per capita consumption will likely be higher this year than last. As a result, stock reductions are in prospect despite relatively high levels of imports.

Tea prices at wholesale and retail inched higher in the second quarter (Table 9). However, wholesale tea prices were up nearly 5 cents per pound over the second quarter a year ago, while retail prices were nearly the same. For the rest of this year retail tea prices may increase, reflecting greater demand and higher wholesale prices.

Cocoa and Chocolate

Consumption

Per capita cocoa consumption totaled 4.0 pounds (cocoa bean equivalent) last year, up from 3.9 pounds in 1970. Based on data so far, consumption this year may equal last year's level.

Despite the stability in per capita consumption, grindings are expected to increase significantly. In the first half of the year, grindings totaled 321 million pounds, 9 percent more than in the same period of 1971.

Record imports in 1972

Imports of cocoa and chocolate (cocoa bean equivalent) were up 7 percent last year, continuing the rise from the 1969 trough. The sharp increase in the first half of 1972 indicates a record level for the year.

Cocoa bean imports in 1971 amounted to 707 million pounds, up from the previous year. Imports for the first half 1972 totaled 415 million pounds, up from 370 million pounds for first half 1971. If second half imports do not fall from year-ago levels, calendar year imports may reach 750 million pounds.

Imports of consumer products will be about the same as last year, but semi-processed products may rise 16 percent to a record level of 220 million pounds.

World situation tightens

In contrast to earlier forecasts of a rather large buildup in stocks of cocoa beans, recent information indicates that world cocoa production and consumption are in close balance this year. Earlier forecasts of production have been revised downward and expanded world grindings have eaten into available stocks. As a result, cocoa bean prices will continue upward until better estimates of the upcoming crop are available in late October.

Cocoa butter prices have also been rising from the lows in late 1971 and reached new highs for the year in late July. However, these wholesale price increases have not been reflected at the retail level.

SUPPLY AND UTILIZATION

Smaller output of food commodities this year

Net production of food commodities by U.S. farms in 1972 may total 3 percent less than in 1971. Ten percent higher stocks at the beginning of 1972 more than offset the decline in production so supplies this year were greater than in 1971.

Crop food commodities may be down as much as 5 percent from last year's output. Output of livestock food commodities may at least match last year's record level with better than a 50-50 chance of exceeding it.

Much of the outlook for food crop production is keyed to the 1972 feed grain, food grain and noncitrus fruit crop prospects. Based on the July *Crop Report*, the estimated corn crop of 5 billion bushels will be about 9 percent lower than last year's record level of 5.5 billion bushels. Similarly, production of total feed grains is expected to be off about 9 percent from last year's record crop. Significant declines in production of spring and durum wheats are pulling down total wheat production about 5 percent from 1971, although total supplies of wheat are above a year ago. Production of noncitrus fruit is expected to decrease about 16 percent led by a 35 percent drop for grape production.

Livestock food commodities with larger production

Table 13.--Livestock, crop, and total farm food commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1967-72 1/

Year	Supply			Total annual utilization	Utilization					
					Domestic use					Exports and shipments 4/
					Food		Non-food		Total	
	Production	Imports 2/	Stocks 3/		Civilian	Military	Seed and feed	Other		
	A.--All food commodities indexes: (1967=100) 5/									
1967	100.0	100.0	100.0	100.0	100.0	100.0	---	100.0	100.0	100.0
1968	100.3	111.7	109.1	102.1	102.5	97.9	---	101.6	102.3	100.5
1969	100.7	101.2	116.5	102.6	104.3	83.4	---	101.9	103.8	93.3
1970	98.4	105.1	120.7	105.7	105.7	70.3	---	91.6	104.5	114.1
1971 6/	108.9	110.9	111.8	107.7	108.8	63.1	---	89.0	107.2	111.7
1972 6/	104.8	110.2	123.1	109.4	109.3	56.7	---	87.8	107.6	122.6
	Livestock food commodities (1967=100)									
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	100.6	109.3	128.8	102.1	102.2	99.6	96.7	103.1	102.0	106.2
1969	100.9	114.2	112.0	102.6	103.1	85.1	100.0	102.3	102.6	104.2
1970	103.6	125.0	96.8	104.8	105.8	71.6	102.0	96.1	104.7	109.1
1971 6/	106.3	116.9	106.9	107.7	108.7	61.8	100.5	89.9	107.2	128.0
1972 6/	106.8	124.6	102.5	108.2	109.7	55.1	103.0	89.9	108.0	116.9
	Crop food commodities(1967=100)									
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	101.6	112.1	107.9	102.9	103.0	90.8	105.0	100.8	103.6	99.7
1969	103.8	98.3	116.7	105.3	107.2	76.9	110.2	101.7	107.9	91.7
1970	98.1	100.6	121.8	109.3	105.7	65.4	114.1	89.3	108.1	114.8
1971 6/	112.9	109.4	112.1	110.7	109.0	67.9	116.6	88.5	111.0	109.4
1972 6/	107.7	106.6	124.1	113.8	108.5	62.6	119.2	86.8	111.6	123.4
	B.--All food commodities: Percentage of annual utilization 5/									
1967	93.0	10.3	-3.3	100.0	83.4	1.9	---	2.8	88.1	11.9
1968	91.3	11.3	-2.6	100.0	83.7	1.8	---	2.7	88.2	11.8
1969	91.3	10.2	-1.5	100.0	84.8	1.5	---	2.8	89.1	10.9
1970	86.6	10.3	3.1	100.0	83.5	1.2	---	2.4	87.1	12.9
1971 6/	93.2	10.6	-3.8	100.0	84.2	1.1	---	2.3	87.6	12.4
1972 6/	89.2	10.4	.4	100.0	83.3	1.0	---	2.3	86.6	13.4
	Livestock food commodities: Percentage of annual utilization									
1967	97.5	3.3	-.8	100.0	91.9	2.3	2.1	1.4	97.7	2.3
1968	96.0	3.5	.5	100.0	91.9	2.3	2.0	1.4	97.6	2.4
1969	95.9	3.7	.4	100.0	92.2	1.9	2.1	1.4	97.6	2.4
1970	96.3	3.9	-.2	100.0	92.7	1.6	2.0	1.3	97.6	2.4
1971 6/	96.3	3.6	.1	100.0	92.8	1.3	1.9	1.2	97.2	2.8
1972 6/	96.3	3.8	-.1	100.0	93.2	1.2	1.9	1.2	97.5	2.5
	Crop food commodities: Percentage of annual utilization									
1967	90.4	14.6	-5.0	100.0	44.6	.7	33.1	3.3	81.7	18.3
1968	89.2	15.9	-5.1	100.0	44.6	.6	33.8	3.2	82.2	17.8
1969	89.4	13.6	-3.3	100.0	45.6	.5	34.7	3.2	84.0	16.0
1970	84.1	13.4	5.5	100.0	43.1	.4	34.5	2.7	80.7	19.3
1971 6/	92.3	14.4	-6.7	100.0	43.9	.4	34.9	2.7	81.9	18.1
1972 6/	85.6	13.6	.8	100.0	42.5	.4	34.7	2.5	80.1	19.9

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Includes essentially all commodities having any U.S. food use. For list of food commodities, see NFS 124 (May 1968) page 15; for comparable data for 1950-64, see NFS 136, (May 1971) pp. 20-22. 2/ Includes shipments from U.S. Territories. 3/ Farm (other than live animals), commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals. 4/ Includes shipments to U.S. Territories. 5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock. 6/ Preliminary.

Table 14.--Production of food crops, 1970-72

Crop	Unit	1970	1971	Indicated 1972	
				Total	Change from 1971
					Percent
Food grains:					
Wheat:					
Winter	Mil. bu.	1,110	1,164	1,195	3
Spring, durum	Mil. bu.	51	88	77	-12
Other spring	Mil. bu.	209	388	278	-28
Total wheat	Mil. bu.	1,370	1,640	1,550	-5
Rice	1,000 tons	4,188	4,216	4,274	1
Rye	Mil. bu.	39	51	31	-39
Total food grains	Mil. bu.	1,595	1,878	1,771	-6
Feed grains:					
Corn (for grain)	Mil. bu.	4,099	5,540	5,042	-9
Sorghum (for grain)	Mil. bu.	696	895	765	-15
Oats	Mil. bu.	909	876	712	-19
Barley	Mil. bu.	410	462	408	-12
Total	Mil. bu.	6,114	7,773	6,927	-11
Soybeans, for beans	Mil. bu.	1,124	1,169	1,277	9
Sugar crops:					
Sugarcane	1,000 tons	23,996	24,172	28,946	20
Sugarbeets	1,000 tons	26,378	27,047	25,870	-4
Peanuts, for nuts	1,000 tons	1,490	1,502	1,546	3
Potatoes	1,000 cwt.	325,752	319,354	1/	1/ -8
Dry edible beans	1,000 cwt.	17,296	16,168	17,303	7
Dry field peas	1,000 cwt.	3,248	3,967	2,331	-41
Citrus fruit:					
Oranges	1,000 tons	8,023	8,222	8,231	---
Grapefruit	1,000 tons	2,186	2,473	2,625	6
Other 2/	1,000 tons	1,107	1,207	1,243	3
Total	1,000 tons	11,316	11,902	12,099	2
Noncitrus fruit:					
Grapes (California)	1,000 tons	2,763	3,534	2,310	-35
Apples	1,000 tons	3,147	3,055	3,124	2
Peaches	1,000 tons	1,508	1,444	1,278	-12
Other 3/	1,000 tons	1,343	1,431	1,208	-16
Total	1,000 tons	8,761	9,464	7,920	-16
Vegetables for fresh market 4/	1,000 tons	7,919	7,976	7,974	---
Vegetables for processing 5/	1,000 tons	1,180	1,258	1,233	-2

1/ Production not available; percent change refers to acreage for harvest.
2/ Lemons, tangelos, tangerines, and Temple oranges only.
3/ Seven major items (pears, sweet cherries, tart cherries, apricots, nectarines, and California plums and dried prunes).
4/ Includes melons. Reported production winter through late summer except late-summer cantaloups, onions, green peppers, and tomatoes.
5/ Green peas, snap beans and spinach.
Source: Crop Production, July 12, 1972; Vegetables - Fresh Market and Vegetables - Processing, July 10, 1972. Statistical Reporting Service.

Table 15.--Estimated use of selected agricultural commodities in the manufacture of alcoholic beverages, 1960-70 1/

Calendar year	Corn		Rye		Barley 2/		Wheat	
	Use	Percentage of total domestic use	Use	Percentage of total domestic use	Use	Percentage of total domestic use	Use	Percentage of total domestic use
	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil bu.	Pct.	Mil. bu.	Pct.
1960	47	1.4	6	24.0	86	24.4	3/	3/
1961	58	1.7	5	19.2	86	23.3	1	0.1
1962	52	1.5	4	19.0	86	26.1	1	.1
1963	49	1.4	4	16.7	89	24.5	1	.1
1964	51	1.5	4	18.2	93	26.5	1	.1
1965	51	1.5	4	16.0	95	28.4	1	.1
1966	53	1.4	5	19.2	100	29.2	1	.1
1967	59	1.6	5	22.7	104	31.1	1	.1
1968	58	1.5	5	19.2	108	31.3	1	.1
1969	57	1.4	5	19.2	111	29.3	1	.1
1970	55	1.3	4	14.2	118	28.6	1	.1

	Sorghum grains		Rice		Hops		Fruit 5/	
	Use	Percentage of total domestic use	Use 4/	Percentage of total domestic use	Use	Percentage of total domestic use	Use	Percentage of total domestic use
	Mil. bu.	Pct.	Mil bu.	Pct.	Mil bu.	Pct.	Mil bu.	Pct.
1960	5	1.4	491	20.8	30	100.0	6,919	16.3
1961	2	.5	484	20.6	30	100.0	6,979	16.6
1962	1	.2	459	17.3	30	100.0	8,028	18.9
1963	3	.7	381	15.9	31	100.0	9,653	21.7
1964	3	.7	406	16.4	31	100.0	7,943	19.2
1965	3	.6	444	16.3	31	100.0	9,930	21.6
1966	3	.5	493	16.8	31	100.0	8,255	18.5
1967	3	.5	539	18.3	30	100.0	7,515	16.1
1968	4	.7	564	18.4	30	100.0	7,707	17.1
1969	4	.6	633	18.5	29	100.0	8,282	17.7
1970	3	.5	678	23.1	30	100.0	7,578	16.8

1/ Data on alcoholic beverages derived from Alcohol and Tobacco Summary Statistics. Internal Revenue Service. Includes commodities used in the manufacture of distilled spirits, fermented malt liquors, and still wines.
2/ Includes barley equivalent of malt.
3/ Negligible.
4/ Converted to rough rice equivalent.
5/ Includes fruit, juices, and concentrates in still wine; fruit and fruit products in distilled spirits.

prospects include beef, chicken, turkey, and eggs. These increases will be only partially offset by smaller prospective production of pork, veal, lamb and mutton, and lard. Production of cheese, and ice cream will be larger; butter and fluid milk production will be down.

Stocks change little

Though net production is expected to decline this year from 1971 levels, earlier prospects indicated a slight increase in stocks. Based on utilization so far this year, plus the impact of the grains agreement with Russia, it now appears stocks of food commodities will change little.

Food imports

Prospective 1972 imports of farm food commodities likely will be near last year's levels, curbing a sharp rise in 1970 and 1971. An anticipated 3 percent slip in crop food product imports will be only partially offset by a 7 percent expansion of imports of the livestock food product sector. Decreases are likely this year for coffee, tea, sugar, and melons. On the other hand, imports of fruit, fresh and canned vegetables, and cocoa and chocolate are expected to increase.

Imports of beef and pork are expected to set the pace among livestock products. There is little prospective change in imports of other livestock products.

Food exports up

The volume of food commodity exports is expected to increase in the neighborhood of 10 percent this year and will achieve a new record. Crop food exports with an anticipated increase of 13 percent will account for all of the rise. Livestock food product exports may decline nearly 9 percent.

For crop food products, exports of wheat, corn, oats, rice, soybeans and products, and melons are expected to increase. Smaller exports of butter and nonfat dry milk will account for most of the drop in exports of livestock products.

Domestic utilization continues uptrend

Larger domestic utilization is anticipated again this year, with civilian food use accounting for all of the rise. Preliminary data indicate both military procurement and nonfood use other than seed and feed of food commodities will decline. Domestic use of both crop food and livestock food commodities is expected to increase.

Civilian food use, accounting for about 93 percent of total utilization of livestock food commodities, may increase nearly 1 percent this year, about the same as the increase in population. Civilian crop food use, which accounts for only about 43 percent, is expected to decline fractionally. Feed use of crop foods, about a third of total use, is likely to increase over 2 percent.

The prospective increase in domestic use and in the volume of exports means total utilization will rise again this year, but probably less than the 2 percent rise last year. Prospective expansion of exports of crop food commodities will likely lead to a greater increase in the utilization of crop foods than livestock food products.

Farm Products used in Alcoholic Beverages

The manufacture of alcoholic beverages is a significant outlet for certain crop products. In 1970—the latest data available—2.4 percent of total domestic use of crop products was for alcoholic beverages (table 15). In 1970, 7.6 billion pounds of fruit (mostly grapes) were used in making still wines and other alcoholic beverages (table 16). This is a 9 percent decrease from 1969 and represents 17 percent of total fruit use. All of the 30 million pounds of hops went into malt beverages.

Table 16.—Crops used for alcoholic beverages as a percentage of total domestic use of crop products, 1960-70[1]

Calendar year	Total domestic use of crop products	Used for alcoholic beverages	
		Total	Percentage of total use
	Million dollars	*Million dollars*	*Percent*
1960	19,190	471	2.5
1961	19,909	481	2.4
1962	20,007	515	2.6
1963	20,002	580	2.9
1964	20,149	519	2.6
1965	20,282	608	3.0
1966	21,431	549	2.6
1967	21,109	528	2.5
1968	21,725	543	2.5
1969	22,368	568	2.5
1970	22,307	543	2.4

[1] Data on alcoholic beverages derived from *Alcohol and Tobacco Summary Statistics*, IRS. Quantities valued at 1957-59 farm prices.

Producers of certain grains also depend heavily on the beverage industry as a market for their products. A total of 118 million bushels of barley and 678 million pounds of rice were used in 1970 in the manufacture of alcoholic beverages. This amounted to 29 percent of all domestic barley use and 23 percent of domestic rice use. The industry used 55 million bushels of corn, accounting for 1.3 percent of domestic corn use.

FOOD USE BY THE FOODSERVICE INDUSTRY

by Corinne Le Bovit

ABSTRACT:

The foodservice industry used an estimated 14 percent of the food available for civilian consumption in 1969. The proportion varied from 5 percent for the dry beans, peas and nuts group to a high of 21 percent for fats and oils. These estimates were based on data obtained in the 1969 survey by USDA of the market for food served away from home. The survey did not cover schools, military services, Federal hospitals, correctional institutions, transit feeding operations, boarding houses, and vending machines except in foodservice outlets. The excluded outlets might add 30 percent to the food service market.

The estimates of food used in foodservice establishments tend to agree with estimates derived from the 1965 individual diet survey. Discrepancies are explained by the types of outlets omitted and amounts of primary products used in mixtures. The estimates based on the 1969 survey seem more accurate for most food groups.

KEY WORDS: Food use, food consumption, food away from home, foodservice industry.

Food eaten away from home accounts for a significant portion of total food consumption in the United States. Data on the total quantity eaten away from home and the distribution among major commodities has been sparse.[1] In 1966 and 1969 the USDA conducted major surveys of the foodservice industry to determine its size, composition, and major characteristics. A recent publication shows the total quantity and value of foods purchased by eating places.[2] This article estimates the importance of consumption of major food groups in public and private eating places in relation to total food consumption.

The foodservice industry used an estimated 14 percent (price weighted quantity [3]) of the food available for civilian consumption in 1969. The proportion varied for different food groups—from a low of 5 percent of dry beans, peas, and nuts to a high of 21 percent of fats and oils—with even more variation for specific commodities within groups. All outlets offering meals, snacks, or beverages for onpremise or immediate consumption were sampled except those operated in conjunction with elementary and secondary schools, the military services, Federal hospitals, Federal and State correctional institutions, intransit feeding operations, and boarding houses. Vending machines not located in foodservice outlets were also excluded. Inclusion of the omitted food services would increase the quantities by about 30 percent, raising the 14 percent of total food eaten away home to about 18 percent. The effect of the ommissions was probably not uniform for all foods. The impact of some of the omissions on separate food groups will be discussed later.

[1] A small pilot study was *Eating Places as Markets of Food Products* by Burk, M. and L. Sartorius, USDA Mkg. Res. Rpt. 3, U.S. Dept. Agr., 1952.

[2] Van Dress, Michael G. *The Foodservice Industry: Type, Quantity, and Value of Foods Used,* Stat. Bull. 476, Econ. Res. Serv., U.S. Dept. Agr. November 1971.

[3] The sum of quantities of individual foods, measured in pounds, equivalent to the form sold at retail food stores, multiplied by average retail prices in 1957-59.

Proportions of foods used

Food acquisitions reported by the foodservice industry were rearranged into primary food groups for comparision with the annual estimates of food consumption.[4] Food mixtures such as baked goods, soups, and salad dressings were apportioned and converted into the primary components reported in the time series. The groups of rearranged foods were summed and compared with total civilian consumption in 1969, the year of the survey.

Meat, poultry, fish, eggs—The foodservice industry used 16 percent of the meat, poultry, and fish consumed in 1969 (table 17). About 20 percent of U.S. beef consumption was used by the foodservice industry which also used 13 percent of the poultry and 25 percent of fish and shellfish. Only a tenth each of pork and of eggs were consumed away from home, probably because of the low proportion of breakfasts eaten out.

Dairy products—Only a tenth of the fresh fluid whole milk but nearly three-tenths of the cream was used by the foodservice industry. The proportion of milk would be about 16 percent if milk served in schools were included. Nearly a third of the frozen dairy desserts were eaten out. About 40 percent of this was ice milk and commercial milkshakes.

Fats and oils—A much higher proportion of butter (21 percent) than of margarine (9 percent) was used by foodservice outlets. High proportions of oil and shortening were used, probably because of the large amount of deep-fat frying.

[4] *Food consumption, Prices, Expenditures,* Economic and Statistical Analysis Division, Economic Research Service U.S. Dept. Agr., Report 138, Supplement for 1970, November 1971.

Table 17.— Proportion of civilian food consumption used by foodservice industry, 1969[1]

Food	*Percent*	Food	*Percent*
Meat, poultry, fish	16	Fruits total including	
Meat	15	melons	7
Beef	20	Melons	4
Pork	10	Other fresh	3
Poultry	13	Canned & Frozen	13
Fish, shellfish	25	Juice	15
Eggs	10	Vegetables, total	11
		Fresh	9
Dairy products, excluding		Canned	20
butter		Frozen	8
Total, fat solids	12		
nonfat solids	10	Beans, peas, nuts	5
Fresh fluid whole milk	8		
Frozen desserts	30	Flour and cereal products	11
		Flour, all varieties	13
Fats and oils, including			
butter	21	Sugar, sweeteners	11
Butter	21		
Margarine	9	Coffee, tea, cocoa	18
Shortening	21		
Oil	33	Total food (price weighted[2])	14
Potatoes, sweet potatoes, fresh equivalent	20		

[1] Based on *The Foodservice Industry: Type, Quantity, and Value of Foods Used*, U.S. Department of Agriculture, Agr. Stat. Bull. 476, November 1971. [2] The sum of quantities of individual foods, measured in pounds equivalent to the form sold at retail food stores, multiplied by average retail prices in 1957-59.

Fruits, vegetables, potatoes—The low proportion of fruits used (7 percent) was probably related to the small number of breakfasts eaten out. Breakfasts are likely to include some fruit or fruit juice. Foodservice outlets used a much higher proportion of processed than of fresh fruits, vegetables, and potatoes.

About 40 percent of the frozen potato products and 35 percent of the dehydrated potatoes were used away from home. Of the remaining vegetable items, fresh cabbage, lettuce, onions, canned tomatoes including catsup, and pickles were most important.

Other foods—Very low proportions of breakfast cereals and corn products pulled down the proportion of flour and cereal products used by the foodservice industry. Sugar proportions would probably have been much higher if sales through vending machines and retail stores had been included. Of the major uses of sugar, only 4 percent of the candy and 6 percent of the soft drinks used in 1969 were served in foodservice industry outlets. These percentages are low because many of these items are obtained from vending machines and bought in retail stores, and consumed on-site, and so not included in this survey. About a fifth of the coffee and tea, but little instant coffee, got consumed away from home. These are understated because of the omission of vending machines.

Foodservice outlets covered

The importance of various types of outlets, as measured by the proportion of the total cost of food used by the outlets covered in the survey, was distriubted as follows:

Kind of Business	*Percent of cost value*
Separate eating places and civic, social, or fraternal organizations	60
Stores (retail, drug, or proprietary)	5
Factories, plants, or mills	3
Separate drinking places, recreation or amusement places	8
Hotels, motels, or tourist courts	6
Other public eating places	2
Institutions	16
All outlets	100

The types of meals served by an outlet have considerable influence on its use of many foods. For example, foods consumed primarily at breakfast such as eggs, bacon, fruit juice, and breakfast cereals would be used less by outlets not serving breakfast. Most of the public eating places, with the possible exception of the hotel group, likely served relatively few breakfasts. As a result the proportions of the breakfast-type items eaten away from home are less than the average for all foods. Institutions, on the other hand, probably fed all meals to most of their population.

Several studies have indicated the small proportion of breakfasts away from home. A 1966 study of the characteristics of the foodservice industry [5] indicates that many separate eating places were not open before 11 a.m. or after 9 p.m. None of the food services in stores or at work were closed around noontime but most of these were closed at night. Most of the hotel and motel eating places were open before 11 a.m.

In a survey conducted in 1965, individuals purchasing food in each type of outlet spent on the average about $2 in a day on meals and snacks at lodging places, about $1 at public and private eating places, but less than 50 cents in stores, recreation places, and at work, indicating more snacks or lighter meals in the latter group of places. Institutional populations were excluded from that study.[6] An analysis based on the same survey showed that 18 percent of the snacks, 23 percent of noon meals, 10 percent of evening meals, and only 7 percent of morning meals were eaten away from home.[7]

Institutions compared with public eating places

Institutions bought 16 percent of the total cost of food purchased by all foodservice outlets. They used much more than 16 percent of some foods—many of these items associated with breakfast such as pork, eggs, fruits and fruit juices, and breakfast cereals. For example, half of the juice used by foodservice outlets went through institutions. Other items popular with institutions may have been related to their need for economizing on both food and labor costs. Among these were turkey, canned fish, margarine, cottage cheese, and frozen vegetables.

Comparison with survey of diets of individuals

An earlier analysis of the proportion of food consumed away from home was based on data collected by questioning a sample of individuals living in housekeeping households about all the food eaten at home and away from home for one day in the spring 1965.[8] In that study, foods were reported as served. Mixtures could not be disaggregated so the commodity groups differ slightly from the foodservice data analyzed above. A comparison of the proportion of food eaten away from home from the survey of individual diets (adjusted to include non housekeeping persons living in households and institutions) and the foodservice industry survey (adjusted upward by 30 percent for excluded outlets) shows reasonable agreement.

Food group	Individual diet survey, 1965	Foodservice industry survey, 1969
	Percent	*Percent*
Meat, poultry, fish	19	21
Eggs	7	13
Dairy products, exluding butter	15	13
Fats and oils, including butter	12	27
Fruits	10	10
Potatoes, sweet potatoes	17	26
Vegetables	16	14
Dry beans, peas, nuts	11	6
Flour, cereal, baked goods	13	14
Sugars, sweeteners	20	14
Coffee, tea, cocoa	16	23
Total (weighted by 1957-59 retail prices)	16	18

Eggs, fats, and sugar are probably underrespresented in the individual diet survey because quantities in mixtures are included in other groups. The difference for potatoes may be caused by the method of measurement. In the individual diet study, potato products were reported on a product-weight basis (which would underrepresent lightweight items such as chips and sticks) and in the foodservice industry study they were converted to a fresh equivalent basis. On the other hand, sugar in the foodservice industry study is probably understated because of the exclusion of vending machine and on-site consumption in stores. Dairy products are probably also low in the foodservice study because of the exclusion of feeding in schools.

In conclusion, estimates of the proportion of food consumed away from home derived from the foodservice industry study is probably a more accurate indicator of the proportion of most commodities eaten away from home. For dairy products and for sugars and sweeteners the proportions are probably even greater than the 15 and 20 percent levels from the individual diet study.

[5] Van Dress, Michael G. and Freund, William H., *The Foodservice Industry: Its Structure and Characteristics, 1966*, Agr. Stat. Bull. 416 Econ. Res. Serv., U.S. Dept. Feb. 1968.

[6] *Food and Nutrient Intake of Individuals in the United States, Spring 1965*, Household Food Consumption Survey 1965-66, Report No. 11, U.S. Dept. Agr., January 1972, and unpublished data.

[7] Le Bovit, Corinne. "Foods Eaten Away from Home", *National Food Situation*, NFS-132, May 1970.

[8] See footnote 7.

Table 18.--Wholesale food price indexes and Wholesale Price Index, selected periods 1/
(1967=100)

Year and month	Farm products						Processed foods and feeds												
				Meats															
	Eggs	Fresh and dried fruits and vegetables 2/	Total 3/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 2/	Vegetable oil and products	Cereal and bakery products	Sugar and confectionery	Beverages 4/	Total 5/	All food 6/	Industrial commodities 7/	All commodities
1960	122.4	99.0	97.2	95.1	86.6	91.8	116.2	81.4	86.1	92.8	88.7	88.1	90.1	92.8	89.5	92.1	95.3	94.9
1966	128.0	100.9	105.9	98.4	111.8	104.3	113.1	101.5	97.2	97.8	102.5	98.5	97.8	99.3	101.2	101.9	98.5	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	111.4	106.6	102.5	104.2	98.5	102.2	105.8	108.1	104.8	106.5	98.1	100.9	102.8	102.8	102.2	103.4	102.5	102.5
1969	133.9	109.3	108.8	112.9	110.8	113.3	113.6	118.6	108.2	107.9	101.5	102.6	109.4	106.0	107.3	109.6	106.0	106.5
1970	126.8	111.6	111.0	114.5	111.7	115.0	113.3	125.1	111.2	110.4	111.8	107.6	115.9	112.9	112.0	113.5	110.0	110.4
1971	100.8	120.1	112.9	124.1	99.5	114.1	112.4	137.0	115.4	114.3	121.1	111.4	119.2	115.8	114.3	115.5	114.0	113.9
January	113.3	115.7	108.9	113.3	92.6	105.9	110.1	130.0	112.8	111.2	119.4	111.0	118.6	115.0	111.8	112.4	112.8	111.8
February	97.6	118.3	113.9	122.2	102.4	113.6	112.7	132.6	112.3	111.5	119.4	111.1	118.3	115.2	113.3	114.2	112.5	112.8
March	101.2	125.3	113.0	122.1	92.4	110.9	111.8	130.9	115.0	111.9	119.4	111.5	119.2	115.3	113.7	115.0	112.8	113.0
April	104.4	120.8	113.0	124.4	91.0	111.5	110.7	132.3	115.5	113.0	119.4	111.5	118.6	115.6	113.5	114.7	113.3	113.3
May	92.4	127.5	114.0	128.0	96.3	115.1	112.0	132.4	116.2	114.0	118.5	111.5	119.2	115.7	114.5	116.0	113.7	113.8
June	98.0	136.1	116.0	124.4	97.7	114.1	118.7	137.1	116.1	115.4	118.5	111.5	119.0	115.7	114.9	117.0	113.9	114.3
July	89.4	109.3	113.4	122.9	106.1	116.0	129.7	138.9	116.2	115.9	122.8	111.5	119.4	115.9	116.0	115.8	114.5	114.6
August	110.1	115.9	113.2	124.5	102.6	115.5	113.7	141.7	115.4	116.2	124.6	111.4	120.5	116.1	115.4	116.6	115.1	114.9
September	107.8	103.6	110.5	125.9	101.1	115.5	114.7	138.4	115.4	115.7	123.3	111.3	119.8	116.0	114.6	115.1	115.0	114.5
October	92.4	115.8	110.3	123.4	105.4	115.7	107.2	138.4	116.4	115.3	122.8	111.3	118.7	116.4	114.1	115.3	115.0	114.4
November	88.5	127.1	112.2	126.1	101.1	115.6	106.0	142.2	116.3	115.4	122.8	111.5	119.1	116.6	114.4	116.3	114.9	114.5
December	114.4	126.3	115.8	131.4	105.4	119.6	101.8	149.2	117.4	115.8	122.0	111.6	120.2	116.4	115.9	118.1	115.3	115.4
1972																		
January	92.6	124.9	117.8	134.2	114.5	124.2	108.3	156.3	117.3	116.0	121.7	112.2	120.1	116.4	117.2	118.9	115.9	116.3
February	91.9	127.5	120.7	137.1	121.4	129.5	116.2	156.2	117.5	116.1	121.1	112.4	121.1	116.8	118.8	120.8	116.5	117.3
March	107.7	112.8	119.7	134.0	111.5	124.8	117.5	160.1	118.0	116.7	120.8	112.6	121.9	116.7	118.6	119.3	116.9	117.4
April	87.2	117.6	119.1	128.9	109.1	121.3	106.5	163.8	117.5	118.3	120.7	112.8	121.1	117.2	117.7	118.0	117.3	117.5
May	90.6	120.6	122.2	133.1	115.7	125.9	109.3	155.1	117.4	119.0	120.7	113.3	120.8	117.2	118.6	119.4	117.6	118.2
June	91.9	121.7	124.0	139.6	121.4	131.1	115.1	153.1	115.3	119.5	121.5	113.3	121.3	117.8	119.6	120.7	117.9	118.8
July	102.2	129.9	128.0	139.9	129.3	134.4	127.4	157.3	117.7	119.6	121.4	113.6	122.2	117.9	121.5	123.4	118.1	119.7
	Seasonally adjusted																	
1971																		
January	102.1	113.1	109.4	---	---	---	---	---	113.1	111.4	119.3	---	118.4	---	111.8	---	---	---
February	97.9	115.4	113.0	---	---	---	---	---	113.0	111.6	118.5	---	118.9	---	113.2	---	---	---
March	102.5	119.4	111.5	---	---	---	---	---	116.2	112.2	118.7	---	120.0	---	113.9	---	---	---
April	113.5	120.0	112.8	---	---	---	---	---	115.4	113.0	118.9	---	119.6	---	114.0	---	---	---
May	117.7	116.1	112.4	---	---	---	---	---	115.5	113.9	118.9	---	119.4	---	114.5	---	---	---
June	114.6	128.4	113.8	---	---	---	---	---	115.5	115.1	119.0	---	119.2	---	114.3	---	---	---
July	86.1	111.8	111.4	---	---	---	---	---	115.7	115.3	123.4	---	118.6	---	114.4	---	---	---
August	118.5	124.8	114.2	---	---	---	---	---	115.3	115.9	125.0	---	119.7	---	114.7	---	---	---
September	92.6	113.3	112.2	---	---	---	---	---	115.5	115.8	124.0	---	119.1	---	114.4	---	---	---
October	95.3	126.0	114.0	---	---	---	----	---	116.2	115.5	123.0	---	118.1	---	114.9	---	---	---
November	84.0	127.2	114.0	---	---	---	---	---	116.4	115.3	122.2	---	119.1	---	115.4	---	---	---
December	96.0	126.3	116.5	---	---	---	---	---	117.2	116.1	122.0	---	120.6	---	116.6	---	---	---
1972																		
January	83.4	122.1	118.4	---	---	---	---	---	117.7	116.2	121.6	---	119.9	---	117.2	---	---	---
February	92.2	124.4	119.7	---	---	---	---	---	118.2	116.2	120.1	---	121.7	---	118.7	---	---	---
March	109.1	107.5	118.2	---	---	---	---	---	119.2	117.1	120.1	---	122.8	---	118.8	---	---	---
April	94.8	116.8	118.9	---	---	---	---	---	117.4	118.3	120.2	---	122.1	---	118.2	---	---	---
May	115.4	109.8	120.5	---	---	---	---	---	116.7	118.9	119.6	---	121.0	---	118.6	---	---	---
June	107.5	114.8	121.7	---	---	---	---	---	114.7	119.1	122.0	---	121.5	---	119.0	---	---	---
July	98.5	132.8	125.7	---	---	---	---	---	117.2	119.0	122.0	---	121.4	---	119.8	---	---	---

1/ For earlier annual data (1957-59 reference base), see Food Consumption, Prices and Expenditures, Agricultural Economic Report No. 138, table 106. 2/ Includes potatoes. 3/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products sucb as coffee beans; cocoa beans and tobacco. 4/ Includes alcoholic beverages. 5/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 6/ All food includes all processed foods (omitting soft drinks, alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 7/ Prior to 1967, includes manufactured animal feeds, soft drinks, and alcobolic beverages.

Bureau of Labor Statistics.

Table 19.--Retail food price indexes and Consumer Price Index, selected periods 1/
(1967=100)

Year and month	Food at home																		Food away from home	All food	Consumer Price Index, lees food	Consumer Price Index
	Meats			Poultry	Fish	Eggs	Dairy products 3/	Fats and oils 4/	Fruits and vegetables			Cereal and bakery products	Sugar and sweets	Beverages	Total							
	Beef and veal	Pork	Total 2/						Fresh	Processed	Total											
1960	92.1	81.7	87.2	106.9	85.0	113.2	88.4	86.5	84.6	92.9	88.3	87.1	90.1	91.5	89.6	81.4	88.0	88.8	88.7
1966	99.4	109.0	102.6	106.7	96.7	119.6	95.8	99.7	99.7	100.6	100.1	97.7	97.0	100.9	100.3	95.1	99.1	96.7	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.1	100.2	102.3	103.1	101.6	107.8	103.3	97.7	109.4	105.6	107.9	100.4	103.4	101.9	103.2	105.2	103.6	104.4	104.2
1969	114.5	109.1	111.4	109.0	107.2	126.8	106.7	97.7	111.1	106.5	109.3	103.3	109.1	104.6	108.2	111.6	108.9	110.1	109.8
1970	119.5	115.9	117.6	108.4	118.0	125.6	111.8	104.7	116.3	109.2	113.4	108.9	115.1	117.4	113.7	119.9	114.9	116.7	116.3
1971	124.9	105.0	116.7	109.0	130.2	108.4	115.3	114.4	121.0	116.2	119.1	113.9	119.3	121.6	116.4	126.1	118.4	122.1	121.3
January	118.5	103.6	112.9	106.3	125.4	124.0	113.9	111.3	107.4	112.8	109.6	112.4	117.8	121.9	113.4	123.4	115.5	120.3	119.2
February	120.0	103.2	113.5	105.5	127.0	112.7	114.0	112.1	112.2	113.0	112.6	112.8	117.9	122.1	113.9	123.9	115.9	120.4	119.4
March	122.4	106.0	115.6	107.8	127.7	110.9	114.2	112.4	117.7	113.5	116.0	113.0	118.1	121.8	115.1	124.3	117.0	120.6	119.8
April	124.2	103.6	115.7	107.3	128.6	109.7	114.6	113.6	123.6	114.7	120.0	113.9	118.7	122.0	116.1	124.8	117.8	120.9	120.2
May	124.6	102.2	115.6	107.8	129.4	106.1	115.1	113.9	125.6	115.1	121.4	114.1	119.0	121.8	116.3	125.3	118.2	121.6	120.8
June	126.1	103.6	117.0	111.6	130.3	99.1	115.7	113.8	131.2	115.9	125.1	114.2	119.4	122.2	117.4	125.9	119.2	122.2	121.5
July	126.6	104.7	117.6	112.1	131.0	105.2	116.0	114.0	132.2	116.9	126.0	114.8	119.7	122.0	118.1	126.5	119.8	122.4	121.8
August	126.8	106.9	118.4	112.1	131.9	109.7	116.0	115.2	127.4	117.9	123.6	114.5	120.3	122.0	118.1	127.1	120.0	122.7	122.1
September	127.7	106.4	118.8	112.2	132.5	102.4	116.1	116.6	115.3	118.6	116.6	114.6	120.2	121.0	116.9	127.6	119.1	123.1	122.2
October	127.1	105.8	118.3	110.0	132.8	106.7	116.0	116.7	113.6	118.4	115.6	114.3	120.1	121.2	116.6	128.0	118.9	123.5	122.4
November	126.6	106.3	118.2	108.1	132.9	103.2	115.9	116.7	117.3	118.5	117.8	114.1	120.0	120.9	116.7	128.2	119.0	123.7	122.6
December	128.0	107.2	119.1	107.5	133.2	110.5	116.1	116.4	128.2	118.8	124.4	113.8	120.1	120.5	118.2	128.3	120.3	123.9	123.1
1972																			
January	130.8	109.2	121.1	108.4	134.7	108.0	116.4	116.6	122.1	119.2	120.9	113.7	120.1	120.4	118.2	128.6	120.3	124.0	123.2
February	136.1	119.4	127.5	110.7	137.0	101.4	116.9	117.2	126.8	119.5	123.9	114.3	120.5	120.7	120.5	128.9	122.2	124.2	123.8
March	137.1	118.2	127.9	111.6	138.3	107.5	117.3	117.4	122.3	119.9	121.4	114.8	121.2	120.9	120.6	129.4	122.4	124.5	124.0
April	135.9	116.7	126.9	109.4	139.8	102.9	117.4	117.1	123.2	120.3	122.1	115.0	121.4	120.9	120.4	130.0	122.4	124.9	124.3
May	134.1	115.4	125.6	108.4	140.2	101.7	117.3	116.4	126.7	119.8	123.9	114.7	121.4	121.0	120.2	130.4	122.3	125.4	124.7
June	135.8	118.0	127.5	108.9	141.3	94.2	117.0	116.2	132.2	119.9	127.2	114.5	120.6	120.5	120.9	130.9	123.0	125.7	125.0
	Seasonally adjusted																		
1971																			
January	119.3	105.2	113.9	107.6	125.1	112.1	113.8	---	108.8	112.6	110.6	112.4	117.9	122.0	113.6	123.4	115.6	120.4	119.3
February	121.1	104.2	114.4	106.5	126.5	105.7	114.1	---	114.4	113.0	113.9	112.8	118.3	122.2	114.2	124.0	116.2	120.6	119.6
March	122.8	106.6	115.9	107.7	127.6	111.0	114.4	---	117.6	113.7	116.0	113.0	118.3	121.9	115.3	124.5	117.2	120.7	119.9
April	124.3	104.8	115.9	107.1	128.5	110.0	115.1	---	120.9	114.7	118.5	113.8	118.8	121.9	116.2	124.9	117.9	120.9	120.2
May	124.0	103.8	115.7	108.5	129.1	118.0	115.2	---	120.3	115.2	118.3	114.2	119.0	121.8	116.3	125.4	118.3	121.6	120.8
June	125.3	103.8	116.8	110.4	130.2	114.8	115.6	---	123.5	116.1	120.6	114.3	119.3	121.8	116.9	126.0	118.8	122.1	121.3
July	125.3	102.9	116.6	109.8	131.1	115.9	115.9	---	123.8	117.0	121.0	114.7	119.7	121.9	117.2	126.5	119.0	122.4	121.6
August	125.2	103.8	116.5	110.1	132.0	109.7	115.9	---	124.2	118.0	121.7	114.4	120.2	121.8	117.3	127.0	119.3	122.8	122.0
September	126.3	103.7	117.3	110.0	132.8	98.6	116.0	---	120.1	118.4	119.5	114.5	120.0	121.2	116.8	127.5	119.0	123.1	122.2
October	127.0	104.5	117.8	110.6	133.1	102.3	115.9	---	121.5	118.4	120.4	114.2	120.0	121.2	116.6	127.7	118.9	123.3	122.4
November	127.7	107.3	119.0	110.1	133.3	103.7	115.8	---	123.7	118.5	121.7	114.2	120.1	120.9	117.9	127.9	119.8	123.5	122.6
December	130.1	108.9	120.7	110.1	133.3	101.9	116.0	---	132.4	118.6	126.6	114.0	120.1	120.7	118.7	128.3	120.5	123.8	123.0
1972																			
January	131.7	110.9	122.2	109.7	134.4	97.6	116.3	---	123.7	119.0	122.0	113.7	120.2	120.5	118.4	128.6	120.4	124.1	123.3
February	137.3	120.6	128.5	111.7	136.5	95.1	117.0	---	129.3	119.5	125.3	114.3	120.9	120.8	120.9	129.0	122.6	124.4	124.0
March	137.5	118.9	128.3	111.5	138.2	107.6	117.5	---	122.2	120.1	121.4	114.8	121.4	121.0	120.8	129.7	122.6	124.6	124.1
April	136.0	118.0	127.2	109.2	139.7	103.2	117.9	---	120.5	120.3	120.5	114.9	121.5	120.8	120.5	130.1	122.5	124.9	124.3
May	133.4	117.2	125.7	109.1	139.9	113.1	117.4	---	121.4	119.9	120.8	114.8	121.4	121.0	120.2	130.5	122.4	125.4	124.7
June	135.0	118.2	127.2	107.7	141.2	109.2	116.9	---	124.5	120.1	122.7	114.6	120.5	120.1	120.4	131.0	122.6	125.6	124.8

1/ For earlier annual data (1957-59 reference base), see Food Consumption, Prices, and Expenditures, Agricultural Economic Report No. 138, July 1968. 2/ Beef, veal, lamb and mutton, pork, and processed meat. 3/ Includes butter. 4/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. Bureau of Labor Statistics.

LIST OF TABLES AND CHARTS

Table		Page
1	Consumer, wholesale, and farm price indexes, 1971-72	5
2	Expenditures for food in relation to disposable income, 1960 and 1965-72	8
3	Federal cost of USDA food programs, 1969-72	9
4	Per capita food consumption, index 1960-72	11
5	Livestock products: Per capita consumption indexes, quarterly, 1969-72	12
6	Civilian consumption of major food commodities, selected years	14
7	USDA domestic donations of commodities to schools, institutions, and needy persons, 1966-71	16
8	Food distribution to schools, needy families, and institutions by type of food, 1971-72	18
9	U.S. sweeteners and beverages: Selected prices, 1971 and 1972	19
10	Refined cane and beet sugar deliveries, by specified areas, January-May, 1971-72	20
11	Confectionery shipments, sales, average value, and consumption, 1966-71	21
12	Soft drinks: Production, sales, average value, and consumption, 1966-71	21
13	Livestock, crop, and total farm food commodities: Supply-utilization indexes, 1967-72	24
14	Production of food crops, 1970-72	25
15	Estimated use of selected agricultural commodities in the manufacture of alcoholic beverages, 1960-70	26
16	Crops used for alcoholic beverages as a percentage of total domestic use of crop products, 1960-70	27
17	Proportion of civilian food consumption used by foodservice industry, 1969	29
18	Wholesale food price indexes and Wholesale Price Index, selected periods	31
19	Retail food price indexes and Consumer Price Indexes, selected periods	32

CHARTS

Figure		
1	Retail food prices	2
2	Food prices	2
3	Selected consumer prices	2
4	Food expenditures and income	2
5	Per capita consumption: Meat and total livestock products	2
6	Population and food consumption	2

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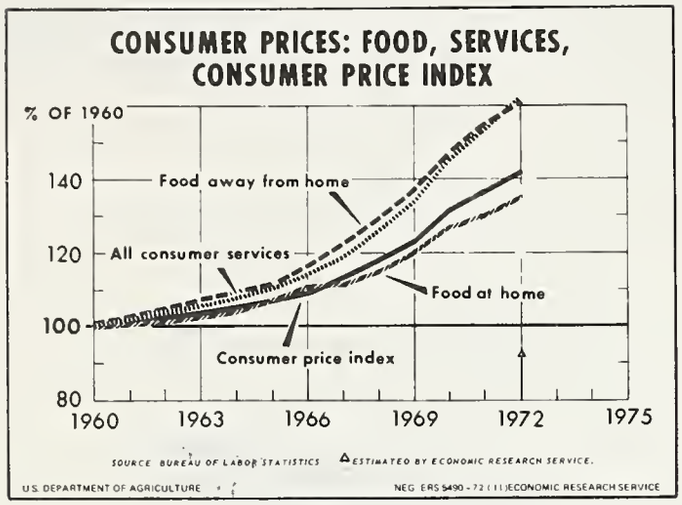

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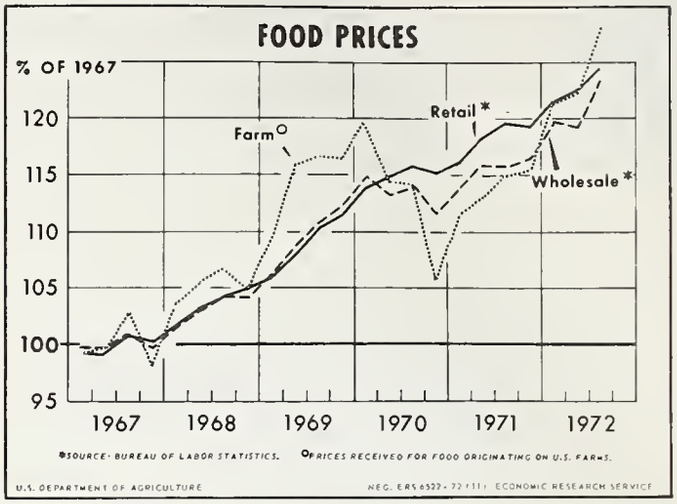

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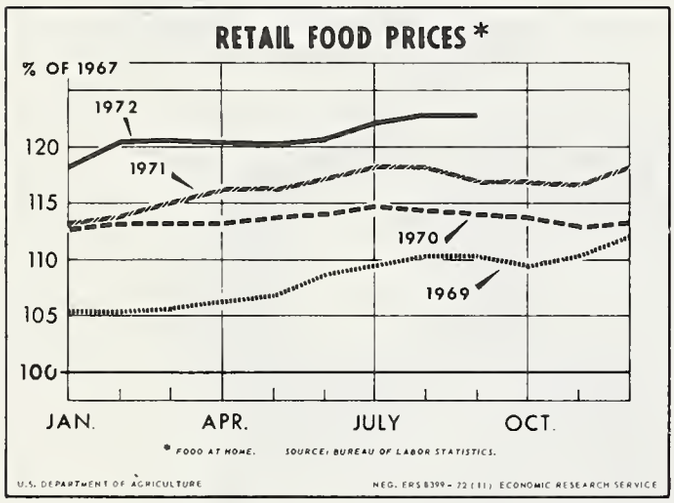

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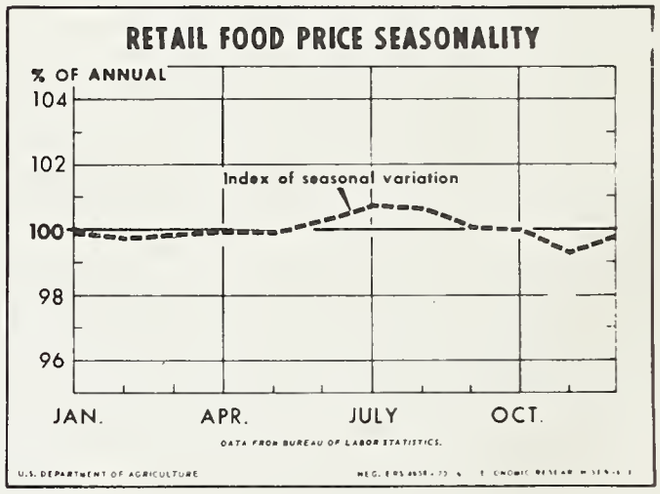

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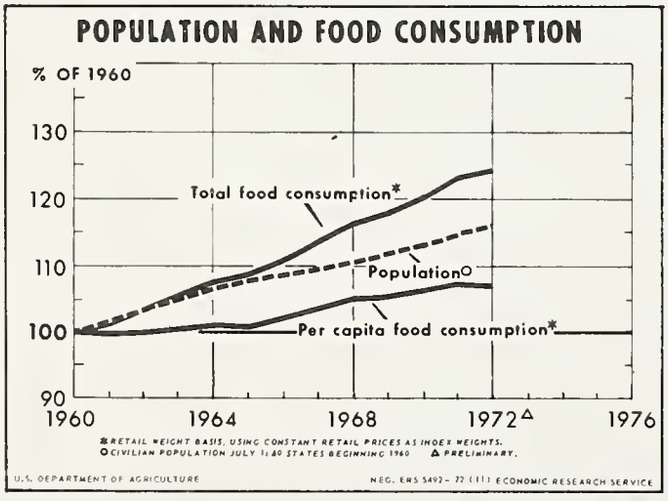

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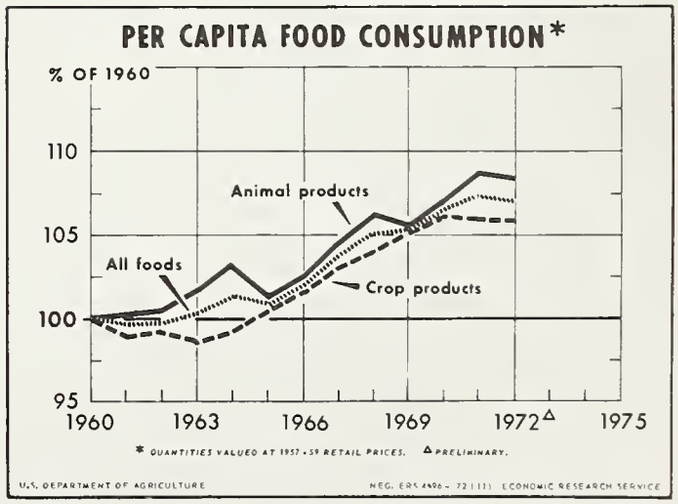

Figure 6

NATIONAL FOOD SITUATION

CONTENTS

	Page
Summary	3
Food Prices	4
Food Spending and Income	7
Per Capita Food Consumption	10
Sugar and Tropical Products - Situation and Outlook	17
Food Supply and Utilization	21
Special Articles:	
Nutritional Review, by Berta Friend	25
Enrichment and Fortification of Foods, by Berta Friend	29
Spice Trends in the United States, by Frederick D. Gray	34
List of Tables	46
List of Charts	47

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SUMMARY

Mainly reflecting higher meat and fresh produce prices, third quarter food prices averaged over 1 percent above the second quarter after seasonal adjustment. This increase was below last winter's acceleration, but more than twice the pace of last spring, and sharper than the rise in price of nonfood items. The food-at-home component advanced almost 1½ percent during the third quarter while food away from home rose about 1 percent.

Some leveling seems likely in food prices in the fourth quarter as red meat supplies, especially pork, increase seasonally. But on a seasonally adjusted basis, the index will rise. For all of 1972, the index is still expected to average more than 4 percent above last year, with both food at home and food away from home rising at about the same pace. The increase will be above last year's advance, but below those of 1969 and 1970. Most of this year's rise will be due to higher farm prices, with the marketing spread only slightly above a year ago. Higher farm prices mainly reflect strong consumer demand for farm products, especially meat, as well as expanding export markets.

Looking ahead to the first half of 1973, the food price index may show less year-to-year increase than in the first half of 1972. Most of the rise will come from livestock related foods, although crop related food prices will also be higher.

Food consumption in 1972 may nearly equal the record set last year. Supply of food derived from crops is about unchanged, with declines for fruits and fresh vegetables offset by increased consumption of vegetable oils, processed vegetables, potatoes, beans, peas, nuts, and sweeteners. About half of the reduction in per capita red meat supplies is being offset by increased use of poultry, fish, and dairy products. As a result, only a very small decline is occurring for consumption of animal food products.

As of August, total participation in USDA family food programs was up more than 4 percent from a year ago. A continued increase in food stamp program participation more than offset a drop in commodity distribution participation, due mainly to areas switching from one program to another. In the third quarter the value of bonus stamps jumped sharply due mainly to increased allotments reflecting annual price adjustments.

Nutrient levels (including food energy) in the U.S. per capita food supply this year are slightly lower

than in 1971. Lower supplies of pork account for a 2 percent decrease in thiamin (one of the B-vitamins). Several other nutrients show less significant declines.

Total food expenditures advanced to $125.2 billion (annual rate) in the third quarter, up almost 7 percent from a year ago. The increase reflected price advances, population increases, and increased services with food. Expenditures for food away from home increased far more rapidly than expenditures for food at home. Food expenditures accounted for 15.7 percent of total personal income.

Net production of U.S. farm food commodities in 1972 is about 3 percent below a year ago. However, available supplies are larger due to 11 percent greater stocks, largely grains, at the beginning of the year. Livestock food commodities are down about 1 percent, while gross production of crop food commodities is down a little more than 3 percent. Exports are up sharply, in part reflecting grain shipments to the Soviet Union. Food imports are up slightly, with a slight decline for crop food imports more than offset by an increase for imports of red meats. Total new supply (from production and imports) and utilization will about balance for 1972, leaving 1973 beginning stocks about the same as last January 1.

FOOD PRICES

Driven by rapidly rising livestock and fresh produce prices, the retail food price index accelerated sharply in early summer, but the advance eased seasonally in September.

For the third quarter, the Consumer Price Index for food averaged more than 1 percent above the second quarter after seasonal adjustment, more than twice the pace of the second quarter, but well below the sharp increase of last winter. The index for the third quarter was 4 percent above a year ago, as opposed to 3 percent for nonfood items (table 1).

Change in retail food prices, third quarter, 1972

Item	From second quarter 1972[1]	From third quarter 1971
	Percent	*Percent*
Meat	2.9	11.6
Poultry	.7	-.4
Fish	2.1	8.6
Dairy products	-.6	.7
Eggs	.5	1.1
Fats and oils	[2]-1.1	0
Fruits and vegetables	4.0	4.3
Sugar and sweets	-.6	.3
Cereal and bakery products	-.3	-.1
Beverages	.2	-.7
Other preparations	.3	1.2
Food at home	1.3	4.2
Food away from home	1.0	3.8
All food	1.2	4.1

[1] Seasonally adjusted. [2] Unadjusted.

Restaurant meals and snacks advanced less than food at home prices in the third quarter and averaged less than 4 percent above a year ago, while at-home food prices were more than 4 percent higher (table 27).

The quarterly increase in at home prices essentially reflected sharp increases in farm prices. The marketing margin was up only slightly.

Food Prices and the Wage-Price Freeze

In August, one year after price controls were established, the retail food price index was 3.8 percent higher than a year earlier as opposed to 2.8 percent for nonfood items. The yearly food price increase was higher than that reported from August 1970 to August 1971 when heavy pork supplies helped limit the rise in the index but below the advances of both 1969 and 1970.

Higher prices for red meats, fish and fresh produce accounted for much of August 1971 - August 1972 increase. Cattle production was up significantly, but sharply rising incomes accelerated demand for beef and pushed prices almost 11 percent above last August. The cutback in hog production drove pork prices 17 percent above a year before, while the worldwide fish shortage relative to steeply rising demand trends in recent years caused fish prices to advance 8 percent. Fresh fruit and vegetable prices were higher than a year ago reflecting lower supplies. However, poultry, beverage, and cereal prices were lower. Dairy products, fats and oils, and sugar products were slightly higher.

Almost all of the increase through August was due to higher farm prices. The marketing margin rose only slightly.

Outlook

After a rapid summer increase, food prices have shown some seasonal leveling this fall. An increase in prices seems likely in December with prices of fresh vegetables and eggs rising sharply. For the year, the retail food price index will average 4 to 4½ percent above a year ago. Looking ahead to the first half of 1973, the retail food price index may rise at a slower pace than in the first half of 1972, with increases likely to average about 3 percent above a year ago. The index may reach the 128 level (1967=100) by next June.

Most of the rise will come from livestock related foods, as in 1972, although crop related food prices will

Table 1.--Consumer, wholesale, and farm price indexes, 1971-72
(1967=100)

Item	1971			1972			
	III	IV	Year	I	II	III	
						Index	Percent change from 1971 III
Retail prices: 1/							
All goods and services (CPI)	122.0	122.7	121.3	123.7	124.7	125.8	3.1
All items less food	122.7	123.7	122.1	124.2	125.3	126.2	2.9
All food	119.6	119.4	118.4	121.6	122.6	124.5	4.1
Food at home	117.7	117.2	116.4	119.8	120.5	122.6	4.2
Food away from home	127.1	128.2	126.1	129.0	130.4	131.9	3.8
Wholesale prices: 1/							
All commodities	114.7	114.8	113.9	117.0	118.2	119.9	4.5
Industrial commodities	114.9	115.1	114.0	116.4	117.6	118.4	3.0
Farm products	112.4	112.8	112.9	119.4	121.8	128.3	14.1
Processed food	116.9	116.6	115.6	120.2	120.3	123.0	5.2
All food 2/	115.8	116.6	115.5	119.7	119.4	123.5	6.6
Prices received by farmers: 3/							
Crops	107	108	107	110	114	117	9.4
Livestock and products	116	120	116	129	128	136	17.2
Average	112	115	112	120	122	128	14.3
Market basket of U.S. farm foods: 4/							
Retail cost	116.6	115.9	115.1	119.1	119.4	122.3	4.9
Farm-retail spread	117.7	116.2	116.0	117.7	117.6	118.4	.6
Farm value	114.9	115.4	113.8	121.4	122.4	128.3	11.7

1/ Department of Labor, Bureau of Labor Statistics.
2/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.
3/ Statistical Reporting Service.
4/ Economic Research Service.

also be higher. While some of the advance in food prices will be due to higher farm prices, more may come from the marketing side; the marketing margin has changed very little during the past year.

Among livestock commodities, retail beef prices are expected to be higher than the first half of 1972 because increases in output are not expected to be large enough to offset rapid gains in consumer demand. Pork prices are expected to continue about as high or a little higher than prices this fall, reflecting the drop in hog production this year. Fish prices will be well above a year ago, continuing the uptrend in demand. However, poultry prices will be up only slightly above the first half of 1972, and egg prices, although averaging sharply higher than the low levels a year earlier, will still be below the 1970 average. Dairy prices may rise at about last year's pace.

Of the crop commodities, fruit prices will be tempered by large citrus supplies from the 1972/73 crop. Fresh vegetable prices will average well above the January-June average of 1972, while potato prices will be up significantly from this year's depressed levels. Retail prices of major food fat products during 1973 will average slightly above 1972. Cereal and bakery product prices will rise at a more rapid pace than in 1972, in part reflecting effects of record wheat exports on wheat prices. Coffee prices will average well above 1972.

Prices by Food Group

While fresh produce prices were up sharply in the third quarter, other crop related foods either declined or rose only slightly. All livestock products were higher after seasonal adjustment (SA), except dairy products which declined.

Beef and Veal.—Retail beef prices advanced about 2 percent (seasonally adjusted) in the third quarter, reflecting sharply higher cattle prices in early summer. Sharp increases in retail meat prices took place in July and August, but prices fell more than seasonally in September. In September, the beef price index was more than 11 percent above a year ago.

Pork.—Prices rose almost 4.0 percent (SA) in the third quarter, sharply higher than the second quarter gain but far less than half the advance of the winter quarter. The index, which in September was almost 20 percent above a year ago, reflected a sharp cutback in pork production from last year brought about by low returns to farmers in late 1970 and 1971.

Fish.—In the third quarter, prices rose almost 2 percent (SA), the lowest quarterly gain of the year. The slight slowing is due to an improved supply situation. Demand has continued strong.

Poultry and Eggs.—The poultry price index rose 0.7 percent (SA) in the third quarter, following the sharp decline of last summer. Poultry prices for the third quarter were still below a year ago, despite higher red meat prices, reflecting higher poultry output. Egg prices rose ½ of one percent (SA) this quarter, but were only 1 percent above the third quarter a year ago. Egg output this year has exceeded earlier expectations, largely because of higher productivity resulting from the use of a vaccine against Marek's disease.

Dairy Products.—The retail price index for dairy products declined contraseasonally this summer. On a seasonally adjusted basis prices were down 0.6 percent in the third quarter, following a small gain in the second quarter. The index is less than 1 percent above the third quarter a year ago.

Fruits and Vegetables.—Fresh vegetable prices, which normally drop very sharply in the third quarter, rose slightly reflecting smaller summer vegetable production than last year. As a result, the seasonally adjusted retail vegetable price index was up sharply. Vegetable prices averaged almost 11 percent above the third quarter of 1971.

Potato prices shot up over 20 percent from the second quarter. While a small part of the increase was seasonal, the advance reflected a much smaller summer potato crop, and potato prices averaged 13 percent above last year's depressed levels.

Fresh fruit prices also rose more than seasonally due to short noncitrus output. The index was almost 3 percent above last year.

Processed fruit and vegetable prices rose only slightly and are about 2 percent higher than in the third quarter of 1971.

Fats and Oils.—Fats and oils prices averaged the same as a year ago. The easing in the uptrend in part reflects smaller exports of vegetable oils.

Other Foods.—Retail prices of sugar and confectionary products declined over ½ of 1 percent, while cereal and bakery products fell fractionally. Beverages were up only slightly.

Wholesale Prices

The Wholesale Price Index for all foods advanced at a seasonally adjusted rate of almost 3 percent in the third quarter, the steepest gain in many quarters. In contrast, industrial commodities advanced less than 1 percent (table 26).

An extremely sharp contraseasonal gain for fresh and dried fruits and vegetables accounted for most of the rise. Beef and veal prices rose less than seasonally, but pork and poultry prices went up far more than usual. Fish products also scored another major advance. Dairy products began creeping up again after the sharp decline of the second quarter. However, egg, sugar products, and animal fats and oil prices were up much less than usual.

FOOD SPENDING AND INCOME

Total food expenditures increased 1 percent in the third quarter to $125.2 billion (seasonally adjusted annual rate), an increase of 6.7 percent over last year's third quarter (table 2). This rate of increase was slower than in the previous 2 quarters but remains above last year's slower pace.

Away from home expenditures for food increased 1.2 percent during the quarter and were 8.4 percent higher than a year earlier. Expenditures for food at home increased 1 percent and were 6.3 percent greater than a year ago.

Most of the third quarter gain was due to higher prices as food expenditures in constant dollars declined fractionally, due to a 0.3 percent decline in expenditures for food at home. Away from home expenditures in constant dollars increased fractionally.

Change in food expenditures, third quarter, 1972

Item	From second quarter 1972[1]	From third quarter 1971
	Percent	*Percent*
Total Food		
Current dollars	1.0	6.7
1958 dollars	-.2	2.3
Food at home		
Current dollars	1.0	6.3
1958 dollars	-.3	2.0
Food away from home		
Current dollars	1.2	8.4
1958 dollars	.3	4.1

[1] Seasonally adjusted.

On a current dollar basis total food expenditures rose only half as fast as the 2.1 percent rise in personal consumption expenditures. Expenditures for durable goods increased 4 percent due primarily to increased automobile sales. Expenditures for nondurable goods except food were up 1.7 percent over the previous quarter. Services increased 2 percent.

Preliminary estimates indicate that total retail sales were up 2.1 percent in the third quarter. Grocery store sales increased almost ½ of 1 percent. Sales in eating and drinking places increased about 1 percent and were 8.5 percent above the 1971 level.

Personal disposable income and personal consumption expenditures both rose 2.1 percent. Personal savings remained at 6.4 percent of disposable personal income. With food expenditures expected to average around 5 percent higher in 1972 and personal disposable income up nearly 7 percent, the share of income allocated to food will be below a year ago (figure 7).

Quarterly changes in personal expenditures and retail sales (seasonally adjusted)

Item	1971	1972		
	IV	I	II	III[1]
	Percent	*Percent*	*Percent*	*Percent*
Total personal consumption expenditures	1.5	2.3	2.5	2.1
Durable goods	---	4.6	2.6	4.0
Nondurable goods	1.8	1.7	3.1	1.4
Food	.9	1.9	2.8	1.0
Other	2.4	1.6	3.3	1.7
Services	1.7	2.0	1.9	2.0
Retail sales	1.8	1.2	3.3	2.1
Food stores	-.1	1.7	3.6	[2].6
Grocery stores	-.2	1.9	3.7	[2].4
Eating and drinking places	3.9	2.7	.6	[2]1.1

[1] Preliminary. [2] Estimated by ERS.

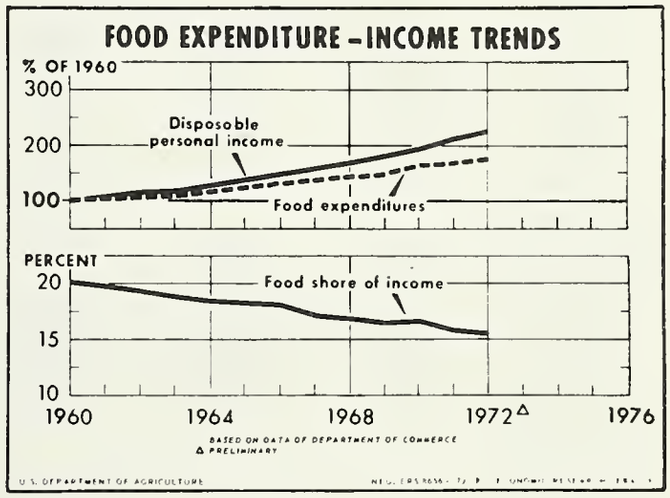

Figure 7

Personal income, taxes, outlays and savings: Changes from previous quarter (seasonally adjusted)

Item	1971	1972		
	IV	I	II	III[1]
	Billion dollars	*Billion dollars*	*Billion dollars*	*Billion dollars*
Personal income	13.6	25.5	15.1	17.4
Personal tax and nontax payments	5.5	13.5	3.0	1.3
Disposable personal income	8.1	12.0	12.1	16.1
Personal outlays	9.8	15.7	17.6	14.9
Personal saving	-1.7	-3.6	-5.6	1.2

[1] Preliminary.

Food Programs

The number of people participating in USDA family food programs this summer averaged 4½ percent above a year ago, with large numbers of participants transferring

Table 2.--Expenditures for food in relation to disposable income, 1960 and 1965-72 1/

Year	Disposable personal income	Personal consumption expenditures for food 2/					
		For use at home 3/		Away from home 4/		Total	
		Amount	Percentage of income	Amount	Percentage of income	Amount	Percentage of income
	Bil. dol.	Bil. dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.
1960	350.0	56.8	16.2	13.3	3.8	70.1	20.0
1965	473.2	69.3	14.6	16.5	3.5	85.8	18.1
1966	511.9	73.8	14.4	18.2	3.6	92.0	18.0
1967	546.3	74.5	13.6	19.4	3.6	93.9	17.2
1968	591.0	79.0	13.4	20.7	3.5	99.7	16.9
1969	634.4	82.0	12.9	22.1	3.5	104.1	16.4
1970	689.5	90.2	13.1	24.0	3.5	114.2	16.6
I	667.9	87.3	13.1	23.4	3.5	110.7	16.6
II	687.2	89.4	13.0	23.9	3.5	113.3	16.5
III	699.1	91.4	13.1	24.2	3.4	115.6	16.5
IV	704.0	93.0	13.2	24.2	3.4	117.2	16.6
1971	744.4	92.4	12.4	24.9	3.4	117.3	15.8
I	725.7	92.0	12.7	24.5	3.4	116.5	16.1
II	742.9	92.3	12.4	24.6	3.3	116.9	15.7
III	750.4	92.5	12.3	24.8	3.3	117.3	15.6
IV	758.5	92.6	12.2	25.7	3.4	118.3	15.6
1972							
I	770.5	94.3	12.3	26.3	3.4	120.6	15.7
II	782.6	97.4	12.4	26.6	3.4	124.0	15.8
III 5/	798.7	98.3	12.3	26.9	3.4	125.2	15.7

1/ Quarterly data are seasonally adjusted annual rates. 2/ Derived from data of Department of Commerce, Survey of Current Business and The National Income and Product Accounts of the United States, 1929-65, assuming one-fourth of purchased meals and beverages is alcoholic beverages and the balance of reported alcoholic beverages is for off-premise use (consistent with 1963 Census of Business Merchandise Line Sales). Omits alcoholic beverages, food donated by Government agencies to schools and need persons, and non-personal spending for food such as business purchases of meals, food furnished inmates of hospitals and institutions, and food included with transportation tickets and camp fees. 3/ Includes food consumed on farms where produced. 4/ Includes food served to the military and employees of hospitals, prisons, and food service establishments. 5/ Preliminary.

Table 3.--Federal cost of USDA food programs, 1969-72 1/

Year	Food stamps		Food distribution 3/				Child nutrition 5/				Total 6/
	Total issued	Bonus stamps 2/	Needy families	Supplemental food 4/	Schools	Institution	School lunch	School breakfast	Special food	Special milk	
	Million dollars										
1969	703	272	256	4	256	24	227	8	5	100	1,152
I 7/	163	69	67	8/	84	8	67	2	8/	31	328
II	171	64	60	1	43	7	51	2	1	26	255
III	178	68	64	1	37	5	26	1	2	12	216
IV	190	71	66	2	92	4	83	3	1	31	353
1970	1,926	1,103	300	12	272	25	360	14	25	96	2,207
I	287	153	75	2	102	6	94	4	2	32	469
II	433	258	78	3	35	7	96	4	3	26	509
III	536	316	72	4	36	6	40	1	9	10	494
IV	670	377	70	4	99	6	139	6	2	28	730
1971	3,081	1,693	314	15	284	25	594	21	31	92	3,070
I	740	410	85	4	109	6	185	7	3	30	839
II	772	422	82	4	35	7	168	5	6	24	753
III	772	420	75	5	39	7	57	2	21	10	636
IV	796	439	72	3	104	6	203	7	4	29	868
1972											
I	844	466	76	4	114	6	249	8	4	30	957
II	872	471	67	3	36	6	187	7	9	24	810
III 7/	931	519	59	5	40	7	90	3	28	12	763

1/ Totals may not add due to rounding.
2/ Includes Food Certificate Program.
3/ Cost of food delivered to State distribution centers.
4/ Includes special food services for preschool and school age children in nonprofit institutions.
5/ Money donated for local purchase of food. Excludes nonfood assistance.
6/ Excludes those food stamps paid for by the recipient.
7/ Estimated.
8/ Less than 0.5 million.

from the commodity distribution program to food stamps. A decline of seven hundred thousand participants in the commodity distribution program was more than offset by an increase of 1.3 million participants in the food stamp program.

In addition, the number of children enrolled in special summer food programs was up 400,000. Many of these children were also enrolled in either the family food program or the commodity distribution program.

Preliminary data for the third quarter indicate a net loss of 100 thousand participants in total family food programs. Food stamp participation averaged 300 thousand higher while commodity distribution was down 400 thousand.

USDA food programs accounted for almost 2½ percent of total expenditures for food in the third quarter, down slightly from last quarter due to seasonal decreases in the school lunch and breakfast programs. However, July and August figures indicate a 10 percent increase in the third quarter value of bonus stamps, the largest quarterly increase in 2 years. These increases were due to a 4 percent increase in the allotment of bonus stamps due to an annual price level adjustment, and to a lesser degree the effects of hurricane Agnes. The January 1972 revised regulations providing for eligibility on the basis of uniform income standards for all States continued to stimulate participation. As a result of the price adjustment the average value of bonus stamps per person increased about $1.00 (Table 3).

For the remainder of the year total participation in the USDA family food program is expected to increase slowly. This increase will take place primarily in the Food Stamp Program as some additional areas switch from the Food Distribution Program. Declines in unemployment should offset some of the uptrend in participation of those who are eligible for the program.

Since 1969, the government cost of food programs has increased greatly as the number of participants has risen (figure 8). The food stamp program has increased most, followed by the child nutrition programs.

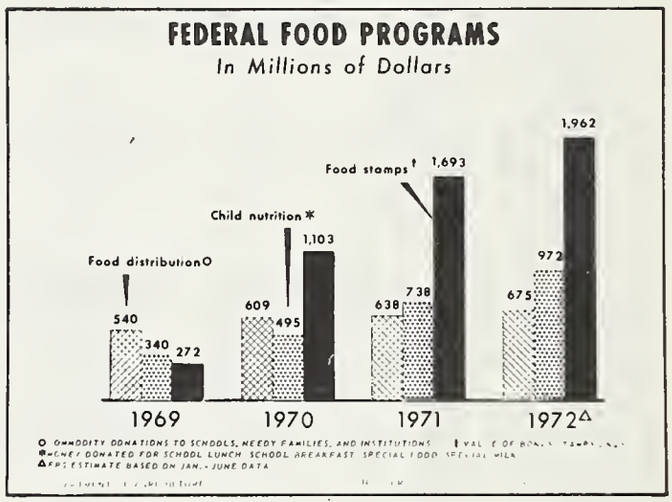

Figure 8

PER CAPITA FOOD CONSUMPTION

Food consumption in 1972 nearly equalled the record set last year (table 4). About half of the reduction in per capita red meat was offset by increased use of poultry and fish. Dairy products, largely cheese and low fat fluid milk, posted significant gains so the net decline in use of animal food products was small. Consumption of food from crops remained about the same. The declines for fruits and fresh vegetables, caused by unfavorable weather, were offset by increased consumption of vegetable oils, processed vegetables, potatoes, beans, peas and nuts, and sweeteners (figure 9 and 10).

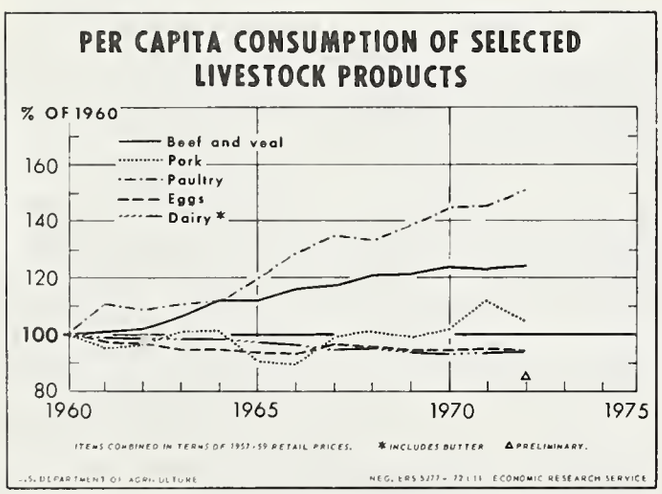

Figure 9

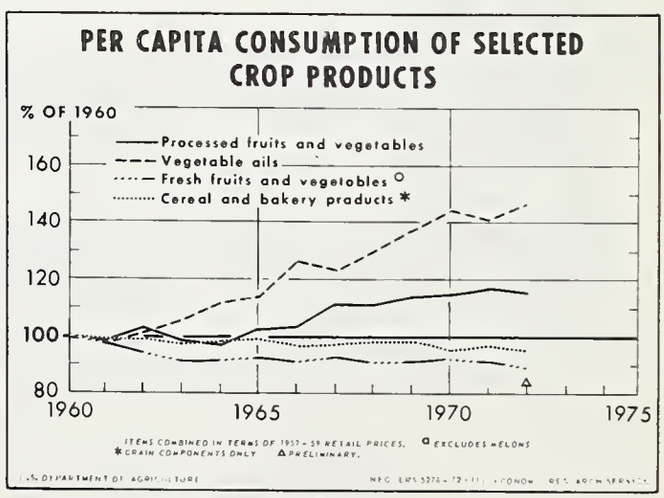

Figure 10

Table 4.--Per capita food consumption index, 1960-72 1/
(1967=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy products 2/	Fats and oils			Fruits 3/		
						Animal 2/	Vegetable	Total	Fresh	Processed	Total
1960	92	75	95	104	106	123	81	96	111	95	103
1961	92	82	99	101	104	125	78	95	107	92	99
1962	93	81	98	101	105	123	81	96	102	96	99
1963	96	82	99	98	104	119	85	97	93	88	90
1964	98	84	97	98	104	116	90	99	98	85	91
1965	94	89	101	97	103	111	92	99	100	90	95
1966	96	96	100	97	102	99	102	101	100	90	95
1967	100	100	100	100	100	100	100	100	100	100	100
1968	103	99	102	99	101	103	104	103	98	97	97
1969	102	103	102	98	100	95	110	105	98	102	100
1970	104	108	109	99	99	90	116	107	101	103	102
1971	107	109	103	99	99	90	114	105	99	105	102
1972 4/	105	113	105	98	100	87	119	108	95	103	100

	Vegetables 5/			Potatoes and sweetpotatoes		Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food		
	Fresh	Processed	Total	Fresh	Processed				Animal products	Crops 6/	Total
1960	107	84	99	129	56	103	98	100	95.7	97.1	96.4
1961	104	85	98	127	59	102	98	102	95.8	96.4	96.0
1962	102	89	97	121	64	101	99	102	96.2	96.5	96.3
1963	101	89	97	124	69	100	99	105	97.3	95.9	96.6
1964	100	91	97	113	76	101	99	102	98.8	96.4	97.6
1965	100	95	98	105	86	101	99	99	96.9	97.6	97.2
1966	98	97	98	106	98	99	100	99	98.1	98.6	98.3
1967	100	100	100	100	100	100	100	100	100.0	100.0	100.0
1968	99	104	100	101	106	101	103	100	101.5	101.1	101.2
1969	99	104	101	94	118	101	104	97	101.2	102.0	101.5
1970	100	104	101	91	121	98	106	94	102.5	103.1	102.8
1971	99	105	101	87	124	99	106	92	103.9	102.8	103.4
1972 4/	97	106	100	86	128	98	107	92	103.6	102.8	103.2

1/ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. Data for earlier years are given in the 1970 Supplement to Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, November 1971. 2/ Includes butter. 3/ Excludes melons and baby food. 4/ Preliminary. 5/ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes. 6/ Includes melons, dry beans and peas, nuts, soup, and baby food in addition to groups shown separately.

Per capita consumption of livestock products, in total, slightly exeeeded year ago levels in the first half of 1972, with all commodity groups except meat and animal fats averaging the same or higher than a year ago (table 5). But in the third quarter total livestock product use fell 2½ percent behind the quantity consumed a year earlier. Much of this difference was in meat consumption which dropped 6 percent below the all-time high recorded in that period a year ago, but use of eggs and animal fats also was lower (figure 11). In the fourth quarter, with meat consumption expected to rebound to the level of a year ago and poultry and dairy products both exceeding year earlier rates, consumption of livestock products is expected to at least equal last year. Only egg and animal fat consumption is expected to be less in that period.

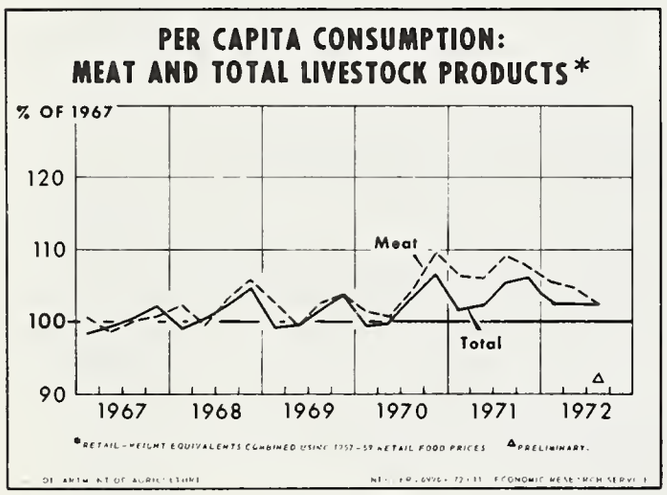

Figure 11

Consumption of livestock products failed to register the usual 1½ percent advance from the second to the third quarter. A contraseasonal decline for meat was primarily responsible. Also contributing were a small contraseasonal decline for eggs and a somewhat less than seasonal increase for poultry. Partially offsetting, however, was the absence of a seasonally expected 2½ percent decline in dairy product use.

Per capita food consumption indexes, seasonally adjusted

Period	Total livestock	Meat
	1967=100	
1971 I	103.9	106.0
II	103.4	108.3
III	104.9	108.9
IV	103.5	105.8
1972 I	104.5	105.1
II	103.7	106.8
III	102.3	102.4

Next year per capita food supplies are expected to be up. Animal products and food from crops may share the increase about equally. On the crop side, the record high citrus harvest now in progress plus the likelihood of a much larger deciduous crop next year point to a jump in consumption of fruit. Some gain is expected for each of the animal product food groups except fish, eggs, and animal fats.

In the first half of 1973, meat consumption is expected to be up slightly, with moderately more beef overshadowing a slightly lower pork supply. Poultry and dairy product consumption is expected to be higher than 1972 levels throughout the year. However, gains for poultry in the first half of 1973 may not be as great as they were this year. The reduced laying flock seems certain to lower per capita egg supplies next year and the margin of difference from 1972 levels will likely be greatest early in the year.

Commodity Reviews

Meat.—Red meat consumption this year is expected to average about 4 pounds per person under the 192 pounds (carcass weight) consumed in 1971 (table 6). The expected 2-pound increase for beef and an advance for lamb and mutton consumption will more than offset sharp declines for pork and veal.

First half meat consumption was only 1 percent lower than in January-June 1971. During the last half of 1972, some advances over year-earlier levels for beef will be more than offset by smaller pork consumption so per capita meat consumption will be about 3 percent lower than in the last half of 1971. The reduction occurred during the third quarter, largely in pork although beef consumption also was slightly below the record quantities used in that period a year earlier. Per capita supplies of red meat in the fourth quarter will approximate those a year ago, with more beef offset by less pork.

Beef consumption during the third quarter averaged about 29 pounds per person, down slightly from a year ago. Beef imports were up, but not enough to offset a small decline in production and the usual growth in population. Fourth quarter consumption is expected to rise above year ago levels. For all of 1972, beef consumption likely will average about 115 pounds per person, up about 2 pounds from a year earlier. About a third of the year's increase will come from larger beef imports.

In the first half of 1973, beef consumption is expected to at least match the 57 pounds per person consumed during January-June this year. Any increase is expected to come from larger marketings of fed cattle.

Veal consumption is dropping this year to nearly 2 pounds per person, down from 2.7 pounds in 1971. The reduction in number of dairy calves along with strong feedlot demand for replacement calves is pulling veal supplies down. A further decline in veal consumption is in prospect for 1973.

The low pork and high feed prices of late 1970 and much of 1971 reduced returns to hog farmers, resulting in a cutback in production this year. First half pork

Table 5.--Livestock products: Per capita consumption indexes, quarterly, 1969-72 1/
(1967=100)

Year and quarter	Meat	Poultry	Eggs	Dairy products: Excluding butter	Dairy products: Including butter	Animal fats including butter	Total livestock products 2/
1969 I	102.9	85.2	99.4	98.2	98.7	100.7	99.3
II	99.5	97.3	97.0	102.8	102.2	88.1	99.7
III	102.7	106.9	96.9	100.6	100.1	95.6	101.9
IV	103.7	123.5	99.1	99.2	99.2	95.2	103.8
1970 I	101.5	91.8	98.9	98.9	98.9	99.4	99.4
II	100.8	102.1	96.5	100.4	99.4	83.7	99.9
III	104.8	113.2	97.2	100.2	99.7	84.3	103.1
IV	109.7	124.5	101.0	98.5	98.6	93.9	106.7
1971 3/ I	106.2	92.8	100.5	99.0	99.0	98.8	102.0
II	106.1	99.8	98.8	99.9	99.0	83.7	102.3
III	109.0	113.0	97.1	100.2	99.3	88.1	105.2
IV	107.6	128.7	100.7	99.0	99.1	91.3	106.2
1972 3/ I	105.3	98.8	101.6	100.6	100.5	96.2	102.6
II	104.7	105.9	97.2	101.6	100.6	82.4	102.6
III	102.5	115.7	95.7	101.8	100.8	84.3	102.6
IV	107.5	130.6	98.7	100.3	99.8	85.6	106.4

1/ Civilian consumption only. Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combined in terms of average 1957-59 retail prices. Data since 1955 are in the 1970 Supplement to Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, November 1971.

2/ Excludes fish and honey.

3/ Preliminary.

Table 6.--Civilian per capita consumption of major food commodities (primary distribution weight) and civilian population, selected years 1/

Commodity	1960	1967	1969	1970	1971	1972	1972 as percentage of 1971
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Pct.
Meats (carcass weight)	160.9	178.3	182.5	186.3	191.8	188.1	98
Beef	85.1	106.5	110.8	113.7	113.0	114.8	102
Veal	6.1	3.8	3.3	2.9	2.7	2.2	81
Lamb and mutton	4.8	3.9	3.4	3.3	3.1	3.4	110
Pork (excluding lard)	64.9	64.1	65.0	66.4	73.0	67.7	93
Fish (edible weight)	10.3	10.6	11.2	11.8	11.2	11.4	102
Poultry products:							
Eggs (farm basis)--Number	335	324	318	319	322	318	99
Chicken (ready-to-cook)	28.1	37.2	39.1	41.4	41.4	42.9	104
Turkey (ready-to-cook)	6.1	8.6	8.3	8.2	8.5	8.9	105
Dairy products:							
Cheese	8.3	10.1	11.0	11.5	12.2	13.2	108
Condensed and evaporated milk	13.7	9.0	7.9	7.1	6.8	6.4	94
Fluid milk and cream (milk equivalent)	322	285	272	264	259	256	99
Ice cream (product weight)	18.3	17.8	18.0	17.7	17.6	17.8	101
Fats and Oils--Total, fat content	45.3	49.4	51.9	53.3	52.1	53.2	102
Butter (actual weight)	7.5	5.5	5.4	5.3	5.1	5.0	98
Margarine (actual weight)	9.4	10.5	10.8	11.0	11.1	11.3	102
Lard	7.6	5.4	5.1	4.7	4.3	3.6	84
Shortening	12.6	15.9	17.1	17.3	16.8	16.6	99
Other edible fats and oils	11.5	15.1	16.8	18.2	18.1	19.8	109
Fruits:							
Fresh	93.4	80.9	79.0	81.4	80.0	77.3	97
Citrus	33.7	31.6	28.3	28.6	29.2	27.3	93
Apples (commercial)	18.3	16.2	15.1	18.5	16.2	17.2	106
Other (excluding melons)	41.4	33.1	35.6	34.3	34.6	32.8	95
Processed:							
Canned fruit	22.6	22.6	24.2	23.3	21.9	20.5	94
Canned juice	13.0	11.7	14.7	14.2	15.4	15.7	102
Frozen (including juices)	9.1	10.1	9.3	9.8	10.2	10.3	101
Dried	3.1	2.8	2.7	2.7	2.6	1.8	69
Vegetables:							
Fresh 2/	105.9	98.1	98.9	99.5	98.7	95.7	97
Canned, excluding potatoes and sweetpotatoes *	43.4	49.0	51.6	51.1	51.1	51.3	100
Frozen, excluding potatoes	7.0	9.0	9.1	9.6	9.7	9.9	102
Potatoes, fresh equivalent *	108.4	108.0	116.8	117.7	118.9	120.9	102
Sweetpotatoes, fresh equivalent *	7.1	5.8	5.7	5.6	4.9	5.0	102
Grains:							
Cornmeal and flour	6.6	7.2	7.4	7.4	7.4	7.4	100
Corn sirup	10.1	14.1	15.4	15.8	16.2	16.5	102
Corn sugar	3.7	4.6	4.9	5.0	5.2	5.2	100
Wheat flour 3/	118	112	112	110	110	110	100
Wheat cereals	2.8	2.9	2.9	2.9	2.9	2.9	100
Rice, milled	6.1	7.5	8.3	6.7	7.7	7.0	91
Other:							
Coffee (green beans)	15.8	14.8	14.2	13.8	13.2	13.0	98
Tea	.59	.69	.73	.72	.77	.78	101
Cocoa beans	3.6	4.2	3.9	3.9	4.0	4.1	102
Peanuts (shelled)	4.9	5.7	5.9	5.9	5.9	6.1	103
Dry edible beans	7.3	6.9	6.8	5.9	6.0	6.4	107
Melons	25.8	22.4	23.1	23.4	22.7	22.6	100
Sugar (refined)	97.6	97.3	100.1	102.5	102.4	102.8	100
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Pct.
Civilian population 4/	178.1	195.2	199.1	201.6	204.2	206.4	101

1/ Quantity in pounds, except for eggs. Data on calendar year basis except for dried fruits, which are on pack-year basis, fresh citrus fruits and peanuts on a crop-year basis, and rice on August 1 year. Fresh citrus year begins in previous October and rice year begins in previous August.

2/ Commercial production for sale as fresh produce.

3/ Includes white, whole wheat, and semolina flour.

4/ July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

* Data have been revised based on information from the 1969 Census of Agriculture.

consumption was off about 5 percent and summer consumption remained sharply lower. Pork consumption will remain below year earlier levels this fall although the margin will narrow. For the year, consumption likely will drop below 68 pounds per person, to average 7 percent below 1971. In the first half of 1973 pork consumption is expected to continue a little below first half 1972 levels. However, hog producers plan to have more sows farrow during the coming months, so consumption in the second half of 1973 likely will exceed levels prevailing this year.

Lamb and mutton consumption this year is rising—for the first time in 6 years. Production is down, but imports are sharply higher and large enough to offset both the reduction in output and population growth. Little change is likely in coming months. The 1972 lamb crop is off about 4 percent, which points to reduced slaughter supplies in 1973, but imports likely will remain large.

Fishery products[1].—The supply of fishery products has improved this year, due largely to sharply increased imports. Per capita consumption is estimated up 0.2 pound with fresh and frozen and canned products sharing the increase.

Consumption of some species—haddock and sea scallops, for example—was reduced, mainly because of diminished world supplies and growing demand in foreign countries. Shellfish supplies were up somewhat due largely to a substantial increase for shrimp. In January-August shrimp landings were up 8 percent and imports were 26 percent higher than a year earlier.

New England groundfish landings were down from last year. Cod and haddock landings were down substantially while flounder and ocean perch landings increased. Imports of all groundfish except haddock were up over last year and reached record levels for the month of August.

Imports of frozen blocks, used in the manufacture of sticks and portions, were 33 percent ahead of the same period a year ago through October. There is a wide price spread between lower priced blocks—ocean perch and pollock, for example—and higher priced flounder. Cod, which accounts for the largest proportion of block imports, is also relatively high priced. Imports of the lower priced species have been increasing as a percentage of the total and offer a less expensive product in the face of rising prices. Output of products, restricted by the shortage of blocks last year, increased 15 percent through the first half over a year ago. Inventories of blocks were up 35 percent.

Overall, the supply of canned fishery products was up. With tuna and sardines much higher, total production is estimated up 6 percent this year. Salmon production, however, will be extremely poor, dropping 43 percent under 1971 and 36 percent below the level of the last 5 years.

Poultry.—Per capita consumption of poultry has been maintained at record levels in each quarter throughout 1972. Gains over 1971 are averaging 4 percent for chicken and 5 percent for turkey. Broiler meat output in Federally inspected plants continues at record levels, up 8 percent through September this year. Based on chick placements and egg settings, the number of broilers for marketing during November-December will be up around 3 percent. Demand prospects are favorable as a result of smaller pork production, red meat prices continuing high, and strong increases in disposable personal incomes.

The 1972 turkey crop is the largest on record, 128 million birds, which is 7 percent more than in 1971 and 1 percent above the previous record in 1967. Turkey meat output in Federally inspected slaughter plants through September this year, was up 10 percent from the same period of 1971.

Turkey output during the heavy marketing season, September-December, will be moderately above 1971. There were 6 percent more poults placed during March-June to provide most of the late summer and fall market supplies.

Eggs.—Consumption in 1972, will be down about 1 percent. Large supplies and resulting low prices in early months led to a consumption rate more than 1 percent higher than a year earlier in the first quarter. By second quarter it was 1½ percent below and in the last half will lag year earlier by about 2 percent.

Egg output early in the year exceeded expectations largely because of higher productivity resulting from use of Marek's disease vaccine. Through September, egg output totaled about the same as in 1971, but since April production has lagged year ago levels.

Flock size on October 1 was down 5 percent, the rate of lay was up about 2 percent so output in September was nearly 2 percent below a year earlier. Though the rate of lay continues to set new monthly records a continued smaller flock in fall and winter will be more than offsetting keeping egg output below year-earlier levels. Weak shell egg demand for table use has kept 1972 egg prices down, but the lagging output has begun to stimulate prices.

Dairy.—Total commercial supplies of milk and dairy products in the first 3 quarters of 1972 are estimated 1½ percent above a year earlier and per capita supplies are up slightly. Milk production was up around 1½ percent from a year earlier in January-September and is expected to continue larger by about the same rate in the fourth quarter. Commercial stocks of dairy products are running slightly above a year earlier, but Government stocks are down. Milk and dairy products supplies during the remainder of 1972 should be adequate for the commercial market demand.

Commercial disappearance of milk in all products through August was up more than 3 percent from 1971

[1] Prepared from information submitted by Market Research and Service Division, National Marine Fisheries Service, Department of Commerce.

and prospects are for continuing gains during the rest of 1972. Plus factors this year include the relatively small increases in retail dairy prices, sharp increases in meat, fish and egg prices, and an aggressive dairy promotion program, together with rising personal incomes and the broadened food stamp plan.

Among manufactured dairy products, per capita sales of cheese rose 11 percent in January-September, while butter and frozen dessert sales increased more moderately. Canned milk sales continue to trend down. Fluid milk sales are showing more strength than in recent years. Per capita sales of lowfat and skim milk are gaining some 11 percent, cream sales are up and fluid whole milk sales did not register their usual decline. As a result fluid sales (on a product weight basis) may increase this year.

Domestic per capita civilian consumption of milk in all uses is projected at 562 pounds, up nearly 1 percent from 1971, the first year-to-year rise since 1955. Little change is expected next year. Increased commercial sales are being partly offset by reduced CCC donations for school lunch and welfare use and the continuing decline of farm household use of home-produced milk.

Increased commercial demand has absorbed the 1972 increase in milk production and reduced CCC removals of dairy products from the commercial market. Supplies of dairy products for use in USDA programs are being reduced from last year's levels. USDA has practically no cheese and practically all supplies of nonfat dry milk are committed to program use. However, USDA stocks likely will be replenished as milk production increases seasonally in early 1973. Commercial stocks next year will likely remain near 1972 levels.

Imports of dairy products are increasing modestly this year to about the equivalent of 1.5 billion pounds of milk. Most of the increase is in cheese. Exports are down a third from last year's unusually large 3 billion pounds of milk equivalent, as European and Oceania dairy supplies increase.

Fats and oils.—Per capita consumption in 1972, estimated at 53.2 pounds, has recovered to the level of 1970 after dropping a pound last year. The major increase over 1971 was in cooking and salad oils. Margarine consumption moved up also, but all other items declined. Direct use of lard showed a substantial drop to an all time low of 3.6 pounds per person.

During calendar 1973, per capita consumption of edible fats and oils is expected to total near the level now estimated for 1972. Butter and lard consumption likely will continue their downward trends. The decline in lard is expected to be mostly in direct use, as use in margarine and shortening is expected to hold close to the previous year's rate. Small increases are expected for margarine, shortening, and cooking and salad oils.

Peanut supplies are larger than civilian food requirements. Edible use is expected to total about 6 pounds per person (kernel basis), not much changed from the past several years.

Fruits.—Overall fruit consumption per person declined 2 percent in 1972. Fresh use, reduced 4 percent in total, was down for all major items except bananas and apples, the latter registering a substantial gain over the 1971 level. Large processed citrus supplies were reflected in per capita consumption gains of 2 percent for canned juice and 6 percent for frozen citrus juice. But tight supplies of noncitrus were primarily responsible for drops in consumption of 6 percent for canned and 8 percent for frozen noncitrus fruits. In addition, for the pack year beginning mid 1972, raisin production is estimated to have been cut nearly in half by the grape harvest failure, causing the per capita consumption rate for dried fruit to decline about a third.

Supplies of processed deciduous fruits are below those a year ago but are not seriously low for most items. The available data indicate a 10 percent reduction in supply of 6 major canned fruits. Quantities carried into the new pack season were a fourth less than in 1971/72. But peach stocks, which have been burdensome for the last 3 years and are now at a more normal level, account for much of the reduction. This summer's pack of the 6 items was only 5 percent less than in 1971. Data are not available yet, but it is expected that supplies of canned pears will be moderately under a year ago due to the smaller crops and strong fresh market demand. Also, reduced apple crop prospects in major processing areas suggest a somewhat smaller pack of canned apple products this year. Stocks of frozen deciduous fruit at the end of September totaled 530 million pounds, 14 percent below last year and one-fifth under 1970. Strawberries alone accounted for more than half of the reduction from a year ago, but stocks of frozen apples, peaches and red raspberries were also significantly lower

Apple supplies this fall are expected to be moderately smaller than a year ago. Smaller crops in the East and Central States more than offset the substantial increase in the West. Prices for processing apples will probably average well above last year's level resulting from the smaller crop prospects in major processing areas and an expanding demand for juice apples. Fresh market prices in Western markets could feel some downward pressure due to the larger Washington supply. But demand should be strong this season following the short fruit supplies of the past summer.

Record-high orange production is in prospect for the harvest season beginning this fall. The forecast of 124.5 million boxes of early, midseason and navel oranges is 30 percent greater than last year's crop and 18 percent over the previous year. Valencia oranges will also be more plentiful during the later stages of the crop year on the basis of present forecast of the Florida crop. However, the rapidly expanding demand for oranges for use in frozen concentrated juice is expected to register further gains this year. And, fresh orange demand may benefit from the shorter supplies and higher prices for noncitrus fruit, especially during the early stages of the season.

Grapefruit supplies are expected to be down slightly from the record levels of a year ago. Larger stocks of

processed grapefruit products may have a tendency to hold average prices down but the demand for fresh fruit is expected to be strong. Increased exports of fresh grapefruit apparently contributed to an increase in effective demand last season.

The output of domestic tree nuts will be smaller during the 1972/73 season. Total production of 4 major nut crops (almonds, filberts, pecans, and walnuts) is estimated at 369,750 tons, 9 percent below last year. Only the almond forecast is above a year ago. Inventories at the beginning of the new season were also generally lower. Exports of almonds and walnuts were record large last season reflecting an expanding foreign demand.

Vegetables.—Despite weather problems this year per capita supplies of vegetables are estimated only 1 percent below those of 1971. Fresh vegetables registered the only decline—3 pounds per person, or 2 percent—while per capita consumption of frozen vegetables increased 2 percent and canned supplies remained unchanged.

Per capita consumption of potatoes and sweetpotatoes each increased 2 percent in 1972. Dry bean consumption jumped 7 percent.

Fall production of vegetables for fresh use is estimated 2 percent less than a year earlier. Smaller crops of cabbage and carrots offset slight gains in lettuce and celery. In addition, a smaller crop of late summer onions will be marketed the balance of 1972. However, the supply deficiency of fall vegetables is less than that which occurred this past summer.

Total processed vegetable supplies likely will be moderately larger than the quantity available a year ago, mainly due to larger tomato production. Excluding canned tomatoes and tomato products, combined supplies of canned and frozen vegetables will be about the same as the moderate supply of last season.

The fall potato crop is 7 percent smaller than the heavy production of 1971. In the East production is off 14 percent and in the Midwest the October estimate calls for 16 percent less than last year. However, the West expects to harvest a 1 percent larger crop, due largely to gains in eastern and central regions of Idaho. Sweetpotato crop prospects improved during September, and U.S. production is estimated 7 percent more than last year's small output.

SUGAR AND TROPICAL PRODUCTS SITUATION AND OUTLOOK

Sugar

Consumption holding up

Based on 9 months of delivery data, per capita sugar consumption this year is expected to slightly exceed last year's level of 102.4 pounds. Total physical deliveries for the first 3 quarters ran nearly 1.4 percent above the same period a year ago, fractionally ahead of the population increase.

Sugar prices

The raw sugar price (New York spot) after a temporary decline in the spring rose in the summer. During October it dropped from 9.40 cents per pound to 9.10 cents and averaged 9.32 cents per pound. For the year, raw prices may average around the January-October average of 9.09 cents, 7 percent higher than a year ago.

Refined cane sugar, wholesale in bags, basis Northeast, was quoted 13.05 cents per pound at the end of October compared with 12.60 cents a year ago, an increase of only 3.6 percent. Thus, considerable competition is holding down wholesale refined sugar prices, relative to the raw price. Moreover, U.S. average retail sugar prices increased only 1.2 percent during this period.

Sugar: Physical deliveries and per capita consumption, 1965-72

Calendar year	Deliveries (raw value)		Per capita consumption (refined)
	Total	Change from previous year	
	Million tons	*Percent*	*Pounds*
1965	10.0	1.6	96.6
1966	10.3	2.7	97.6
1967	10.3	.2	97.3
1968	10.7	4.1	100.1
1969	10.8	1.0	100.1
1970	11.2	3.3	102.5
1971[1]	11.4	1.5	102.4
1972[2]	11.5	1.4	102.8
	First 9 months		
1971[1]	8.6	.7	---
1972[1]	8.8	1.4	---

[1] Preliminary. [2] Forecast for year based on 9-month trend.

Source: Deliveries derived from data in *Sugar Reports*, per capita consumption data compiled by ERS.

Domestic production up slightly

Domestic-grown sugar production is expected to increase about 300,000 tons (raw value) this year.

Table 7.--U.S. sweeteners and beverages: Selected prices, 1971 and 1972

Commodity	1971 I	1971 II	1971 III	1971 IV	1972 I	1972 II	1972 III
	Cents per pound 1/						
Sugar							
Raw:							
New York, duty paid	8.39	8.43	8.60	8.66	9.09	8.81	9.30
World, f.o.b. Caribbean	4.76	4.37	4.19	4.78	8.54	6.96	6.31
Quota premium 2/	2.43	2.90	3.30	2.81	-.52	.76	1.90
Refined:							
Wholesale							
Northeast, cane 3/	12.27	12.45	12.60	12.60	12.94	13.20	13.20
Chicago-West, beet or cane 3/	11.57	11.60	11.60	11.60	11.83	11.90	11.90
Pacific Coast, beet or cane 3/	11.27	11.40	11.40	11.40	11.40	11.70	11.70
Bulk, dry beet, f.o.b. plant 4/	10.20	10.36	10.30	10.24	10.29	10.62	10.65
Retail, U.S. (5-pound package)	13.43	13.56	13.69	13.74	13.82	13.93	13.86
Corn sweeteners							
Wholesale, Chicago:							
Corn sirup 4/	7.36	7.16	6.15	5.07	4.65	4.45	4.58
Dextrose 4/	9.95	9.98	9.98	9.98	10.00	10.00	10.00
Cocoa and chocolate							
Wholesale, New York:							
Cocoa beans, "Accra"	28.3	26.3	28.1	24.5	26.9	30.0	34.5
Cocoa butter	54.8	52.6	58.3	51.5	60.9	65.8	76.8
Retail, U.S.:							
Chocolate bar (1-oz.)	6.7	6.7	6.7	6.7	6.7	6.7	6.7
Chocolate sirup (16-oz. container)	25.6	25.6	25.5	25.4	25.5	25.3	24.9
Coffee							
Wholesale, green, New York							
Colombian, Manizales	52.5	49.5	48.6	50.3	51.5	53.0	62.2
Mexican washed	46.2	46.3	46.1	46.5	46.5	47.3	60.8
Brazilian, Santos No. 4	52.7	44.2	43.2	44.3	44.9	47.6	55.2
Robusta, Ambriz No. BB	43.3	42.9	42.7	42.9	42.5	43.3	46.2
Retail, U.S.:							
Roasted, can	94.8	93.4	92.7	92.6	92.1	91.8	92.4
Roasted, bag	82.0	80.7	78.6	73.9	73.1	72.8	73.7
Instant soluble, (6-oz. jar)	108.5	109.1	109.8	109.9	110.2	109.9	108.2
Tea							
Wholesale, black tea:							
New York	48.5	48.0	48.6	49.9	51.4	53.0	49.9
Retail, U.S. (Package of 48 tea bags)	64.2	64.9	64.9	64.2	64.0	65.0	65.2
Soft drinks							
Wholesale, cola drinks (1967=100)	123.7	123.7	123.7	123.7	124.2	126.7	126.9
Retail, U.S.:							
Cola drinks (6 12-oz. bottles)	74.6	75.6	76.3	76.6	82.8	83.0	83.3
Carbonated fruit drink (6 12-oz. bottles)	71.5	72.6	73.0	73.2	72.6	72.8	73.3

1/ Except as noted. 2/ Difference between New York and world prices, adjusted to exclude about 1 cent for duty computed freight from Greater Caribbean ports (including Brazil), insurance, and unloading charges. 3/ Basis price, 100 lb. paper bags, carload lots. 4/ Carload lots, dry basis.

Source: Sugar prices except bulk, dry beet, f.o.b. plant, and U.S. retail from Sugar Reports; wholesale cocoa and cocoa butter prices from Journal of Commerce; all other prices from Bureau of Labor Statistics.

Domestically—grown sugar production

U.S. growing area	1970	1971	1972[1]
	1,000 tons, raw value		
Cane			
Florida	652	635	890
Louisiana	602	571	735
Hawaiian	1,162	1,230	1,175
Puerto Rico	460	324	298
Total cane	2,876	2,760	3,098
Continental beet	3,209	3,442	3,450
Total U.S. grown	6,085	6,202	6,548

[1] Estimated, based on October 12th, *Crop Report*, and assuming normal sugar recovery rates consistent with trend.

The big increase is expected to come in Louisiana and Florida, reflecting both expanded acreage and prospective higher crop yields. Puerto Rican production during the season ended last spring declined slightly due to a further decline in recoverable sugar. Hawaiian production is declinling this calendar year, due to reduced acreage. Continental beet sugar production will likely approximate last year's level; an increase in beet production may be offset by a decline in recoverable sugar per ton.

Consumption requirements for 1973

On October 31, the U.S. Department of Agriculture determined domestic consumption requirements of 11.7 million tons (raw value) for calendar year 1973. In addition, deficits of 650,000 tons for Puerto Rico, and 144,333 tons for the domestic beet area were declared. These were reallocated to Western Hemisphere countries and the Philippine Republic.

Significant changes can occur between the original and final determination of consumption requirements and final quota charges. The original determination for 1972 consumption requirements was 11.2 million tons. This was later increased to 12.0 million tons in several separate actions, and then reduced to the current level of 11.8 million tons on June 5. Deficits for several supplying areas, particularly Puerto Rico and the domestic beet area for 1972, have been declared and reallocated to foreign suppliers.

Market shares for sweetners

Sugar continues to be the dominant sweetener in the United States although its share of total caloric sweetener consumption slipped slightly in the 1960's (fig. 12). The corn sirup share increased by nearly a third during this period, though annual per capita consumption is still less than 15 pounds. Dextrose consumption also increased though slightly. The increase in the corn sirup share is largely explained by its growing use in cereal and bakery products, processed foods (largely fruit and vegetable products) and dairy products. The relative increase in corn sirup use in beverages and confectionery was limited.

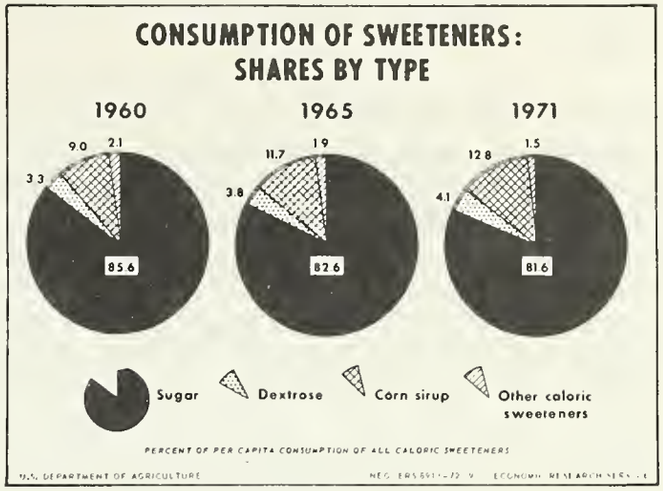

Figure 12

Corn sweetners

Corn sirup deliveries of 721,000 tons (dry basis) and dextrose deliveries of 275,000 tons (dry basis) for the first half of 1972 increased 8.7 percent and declined 4.0 percent respectively from the first half of 1971. Corn sirup use increased in six of seven reported uses, while dextrose use declined in five of seven reported uses. The largest increases in corn sirup deliveries by reported uses were cereal and bakery products, 19.5 percent; multiple and miscellaneous use, 15.0 percent; and processed foods (largely fruits and vegetables), 8.1 percent.

Honey Situation

The 1972 honey crop may be substantialy higher than last year's low level of 206 million pounds. Imports for the year will also be up significantly, and exports so far have set a low for recent years. With domestic demand strong, however, honey prices for the year will likely be at record levels.

COFFEE

Per capita consumption may decline again

Per capita coffee consumption may decline again this year continuing a downtrend begun in the early 1960's. Total consumption may approximate last year's level, however. If this occurs, it would be the first time since 1963 that total consumption did not decline.

Green coffee Imports off last year's pace

Green coffee imports totaled 2.09 billion pounds for the first 9 months this year, down nearly 14 percent from last year's level for the same period, but roasted coffee imports of 29 million pounds (green bean basis)

for the first 9 months this year were up by nearly half over the same period a year ago. Instant coffee imports for the first 9 months of 100 million pounds (green bean basis) were up nearly a fourth from the same period a year ago.

1972/73 coffee crop up slightly

The Foreign Agricultural Service second estimate (September) of 1972/73 world coffee production is about 73 million bags (132.3 pounds each). While only 2 percent larger than the 1971/72 crop, this crop will be the largest since the 82.1 million bag crop in 1965/66. Increases in Brazil, Colombia, Mexico and Central America, and India and Indonesia more than offset declines in the Ivory Coast.

Total exportable production (total harvested production less estimated domestic consumption in producing countries) is expected to total nearly 54 million bags, nearly 2 percent larger than in 1971/72. World import demand is also currently estimated at about 54 million bags, so exportable production and world imports are about in balance this year.

Green coffee prices rose in the third quarter

The coffee market has reacted to the July 8 frost in the state of Parana, Brazil. The 1973/74 Brazilian harvest (to begin next May) will probably be reduced by 3 to 5 million bags.

In response to the possibility of a smaller coffee crop next year, green coffee prices increased in the third quarter about 8 cents per pound ranging from 3 cents for Robusta to nearly 14 cents for Mexican coffee (table 7 - fig. 13). However, the price rise for green coffee dampened late in the third quarter and September prices declined slightly from August levels, October prices remained near the September level.

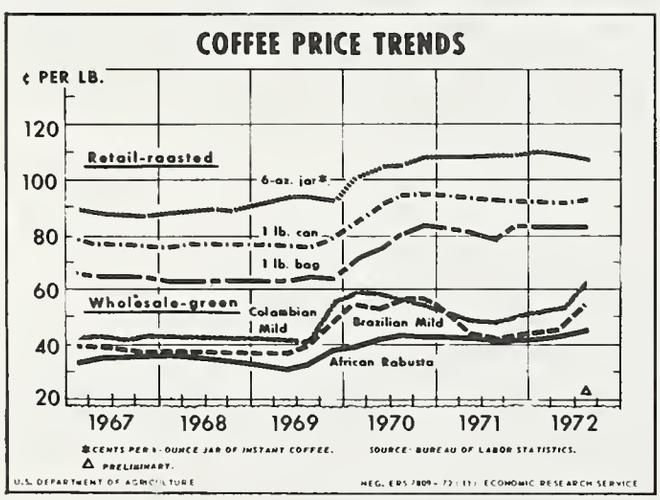

Figure 13

Comparing the recent response of green coffee prices to a freeze in Brazil with a similar situation in 1969, virtually all the increase occurred in the third quarter this year, whereas 3 years ago, most of it came in the last quarter. Moreover, the price increases averaged about 8.3 cents per pound in the third quarter this year compared with 10.5 cents during the third and fourth quarters in 1969. Looking ahead, wholesale green coffee prices will probably hover around current levels until a better estimate of the size of the upcoming crop is available.

Retail prices likely to rise

The U.S. Price Commission recently approved increases in coffee prices (both soluble and roasted) ranging from 5 to 8 percent. Thus, retail prices for coffee in the first half of 1973 will probably be well above a year earlier.

TEA

Imports down-prices steady

Tea imports for the first 9 months this year totaled 115 million pounds, about three-fourths of the volume imported for the same period last year. With imports way off the pace this year, annual imports may not reach 150 million pounds, compared with the record 175 million pounds in 1971. However, despite the drop in imports, tea demand continues brisk and per capita consumption will likely be higher this year. With consumption apparently up and imports down, stocks are being reduced.

Wholesale tea prices declined slightly in the third quarter this year, apparently reflecting ample world supplies. Retail prices in the third quarter were only fractionally higher than in the second quarter. For the last quarter, both wholesale and retail tea prices are expected to remain near current levels.

COCOA AND CHOCOLATE

Consumption holding up

Based on the first 9 months trend, per capita cocoa consumption will likely approximate last year's 4.0 pound level and possibly increase fractionally. The consumption increase will mostly come from higher product imports. The U.S. cocoa bean grind, off to a good start, has fallen behind the 1971 level in the second and third quarters. However, annual U.S. grindings in 1972 are still expected to be above those of a year ago.

Large imports in 1972

Cocoa bean imports for the first 9 months of 1972 totaled 500 million pounds, down from 540 million pounds for the same period in 1971. The pace has slowed significantly from earlier indications which had suggested this could be a record year for imports.

However, imports of semiprocessed cocoa products will apparently set a record this year. Imports of unsweetened chocolate, cocoa butter, unsweetened cocoa, and other chocolate products totaled 200 million pounds (bean equivalent) for the first 9 months this

year, up from 162 million pounds for the same period a year ago. If imports of semiprocessed products for the last 3 months this year match last year's level, imports of semiprocessed products this year will exceed 225 million pounds—a new record. Imports of consumer products (sweetened chocolate and cocoa and chocolate—containing confectionery) totaled slightly over 15 million pounds (bean equivalent) for the first 3 quarters this year, approximating the level for the same period a year ago.

1972/73 crop near 1971/72 level

The cocoa harvest for the marketing year beginning October 1972 is underway, and another large crop is in prospect but perhaps less than the record 1971/72 level of 1.55 million metric tons. Because of expanded world grindings in 1972, world stock levels may have been reduced slightly and unless the level of grinding declines in 1973, world stock levels may again fall during this crop year.

Cocoa prices expected to continue firm

Because world grindings increased to record levels in 1972, cocoa prices (New York spot "Accra") rose from 24 cents per pound in the last quarter of 1971 to 38 cents in October. Cocoa butter prices (New York spot) rose from 52 cents to 85 cents during the same period. With world supply and demand expected to be in close balance in 1973, both cocoa and cocoa butter prices probably won't decline much from current levels for some time.

SUPPLY AND UTILIZATION

Smaller Output of Food Commodities This Year

Net production of U.S. farm food commodities is expected to total about 3 percent less than in 1971 (table 8). However there were 11 percent larger stocks at the beginning of the year, so available supplies were greater this year than in 1971.

The expected decline in production of crop food commodities this year is slightly more than 3 percent. Crop prospects have recently improved. The opposite has occurred for livestock products. Production of livestock food commodities this year is now expected to fall less than 1 percent short of 1971.

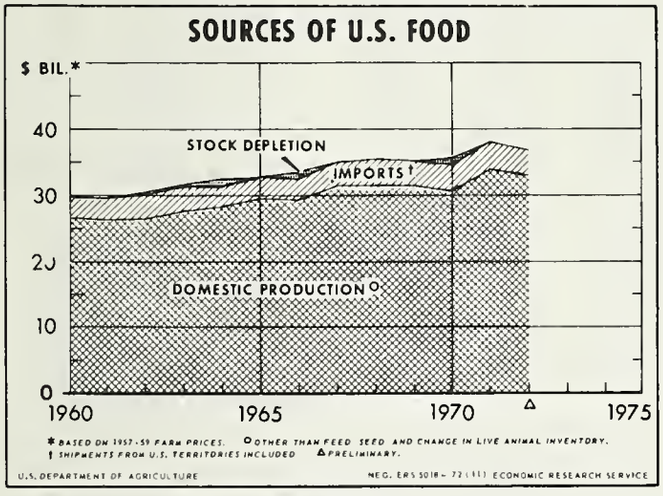

Figure 14

Most of the improved prospects for crop food production is coming from the feed grains group. Based on October *Crop Production*, the 1972 corn crop is estimated at 5.27 billion bushels, up 4.4 percent from the July estimate, and down only 5 percent from the 1971 record of 5.54 billion bushels (table 9). Similarly, production of feed grains is expected to be down only 6 percent from last year's level.

However, while this year's feed grain prospects brightened in the October report, there were only slight changes for food grain production which is now expected to be down about 5 percent.

The noncitrus fruit crop is now estimated to be 18 percent below last year's level. Grape production is expected to be off a third. One reflection of this year's shortage is at retail, where fresh grapes were selling nationally for 51 cents a pound in September this year compared with 42 cents a pound in September 1971 (BLS data). Other evidence includes the sharp reduction in grapes dried for raisins and crushed for wine. Other declines for major fruit crops this year are apples, down 2.5 percent, peaches, 12 percent, cherries, 11 percent, and pears, 15 percent.

Vegetable production this year is mixed. Fresh market vegetables which account for over two-thirds of total output will decline about 1 percent. This slight decline will be partly offset by an anticipated 2 percent increase in output of both canned and frozen vegetables.

On the plus side, soybean production this year is up 13 percent over last year; U.S. grown cane sugar production, 15 percent; peanuts, 8 percent; dry beans, 14 percent, and citrus fruit production for the 1971/72 crop was up nearly 2 percent (table 9).

Livestock food commodities with larger production this year include beef (though only slightly), chicken and turkey. However, the increases are expected to be more than offset by declines in production of pork, veal, and lamb and mutton. Production of cheese and ice cream is larger; but the downward trend in production of butter continues. Production of eggs and fluid use of milk this year is expected to approximate last year's level.

Little Change in Stocks Expected

Stocks of farm food commodities at the beginning of 1973, are expected to roughly approximate the 1972

Table 8.--Livestock, crop, and total farm food commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1967-72 1/

Year	Supply: Production	Supply: Imports 2/	Supply: Stocks 3/	Total annual utilization	Utilization: Domestic use: Food: Civilian	Utilization: Domestic use: Food: Military	Utilization: Domestic use: Non-food: Seed and feed	Utilization: Domestic use: Non-food: Other	Utilization: Domestic use: Total	Utilization: Exports and shipments 4/
	A.--All food commodities indexes: (1967=100) 5/									
1967	100.0	100.0	100.0	100.0	100.0	100.0	---	100.0	100.0	100.0
1968	100.3	111.7	109.1	102.1	102.5	97.9	---	101.6	102.3	100.5
1969	100.7	101.2	116.5	102.6	104.3	83.4	---	101.9	103.8	93.3
1970	98.4	105.1	120.7	105.7	105.7	70.3	---	91.6	104.5	114.1
1971 6/	108.1	110.8	111.8	107.8	108.9	62.9	---	89.2	107.3	111.8
1972 6/	105.7	112.1	123.1	109.9	108.8	57.0	---	87.2	107.0	131.4
	Livestock food commodities (1967=100)									
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	100.6	109.3	128.8	102.1	102.2	99.6	96.7	103.1	102.0	106.2
1969	100.9	114.2	112.0	102.6	103.1	85.1	100.0	102.3	102.6	104.2
1970	103.6	125.0	96.8	104.8	105.8	71.6	102.0	96.1	104.7	109.1
1971 6/	106.3	116.9	106.9	107.6	108.7	61.8	100.5	89.9	107.2	128.6
1972 6/	106.0	131.8	102.4	107.9	109.4	55.7	104.3	85.4	107.6	117.9
	Crop food commodities(1967=100)									
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	101.6	112.1	107.9	102.9	103.0	90.8	105.0	100.8	103.6	99.7
1969	103.8	98.3	116.7	105.3	107.2	76.9	110.2	101.7	107.9	91.7
1970	98.1	100.6	121.8	109.3	105.7	65.4	114.1	89.3	108.1	114.8
1971 6/	113.2	109.3	112.1	110.9	109.4	67.2	116.7	88.8	111.2	109.5
1972 6/	109.2	107.2	124.2	114.4	107.4	61.8	117.0	88.0	110.2	133.3
	B.--All food commodities: Percentage of annual utilization 5/									
1967	93.0	10.3	-3.3	100.0	83.4	1.9	---	2.8	88.1	11.9
1968	91.3	11.3	-2.6	100.0	83.7	1.8	---	2.7	88.2	11.8
1969	91.3	10.2	-1.5	100.0	84.8	1.5	---	2.8	89.1	10.9
1970	86.6	10.3	3.1	100.0	83.5	1.2	---	2.4	87.1	12.9
1971 6/	93.2	10.6	-3.8	100.0	84.2	1.1	---	2.3	87.6	12.4
1972 6/	89.4	10.5	.1	100.0	82.5	1.0	---	2.2	85.7	14.3
	Livestock food commodities: Percentage of annual utilization									
1967	97.5	3.3	-.8	100.0	91.9	2.3	2.1	1.4	97.7	2.3
1968	96.0	3.5	.5	100.0	91.9	2.3	2.0	1.4	97.6	2.4
1969	95.9	3.7	.4	100.0	92.2	1.9	2.1	1.4	97.6	2.4
1970	96.3	3.9	-.2	100.0	92.7	1.6	2.0	1.3	97.6	2.4
1971 6/	96.3	3.6	.1	100.0	92.8	1.3	1.9	1.2	97.2	2.8
1972 6/	95.9	4.0	.1	100.0	93.0	1.2	2.0	1.2	97.4	2.6
	Crop food commodities: Percentage of annual utilization									
1967	90.4	14.6	-5.0	100.0	44.6	.7	33.1	3.3	81.7	18.3
1968	89.2	15.9	-5.1	100.0	44.6	.6	33.8	3.2	82.2	17.8
1969	89.4	13.6	-3.3	100.0	45.6	.5	34.7	3.2	84.0	16.0
1970	84.1	13.4	5.5	100.0	43.1	.4	34.5	2.7	80.7	19.3
1971 6/	92.3	14.4	-6.7	100.0	43.9	.4	34.9	2.7	81.9	18.1
1972 6/	86.3	13.7	0	100.0	41.8	.4	33.8	2.6	78.6	21.4

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Includes essentially all commodities having any U.S. food use. For list of food commodities, see NFS 124 (May 1968) page 15; for comparable data for 1950-64, see NFS 136, (May 1971) pp. 20-22. 2/ Includes shipments from U.S. Territories. 3/ Farm (other than live animals), commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals. 4/ Includes shipments to U.S. Territories. 5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock. 6/ Preliminary.

Table 9.--Production of food crops, 1970-72

Crop	Unit	1970	1971	Indicated 1972	
				Total	Change from 1971
					Percent
Food grains:					
Wheat:					
Winter	Mil. bu.	1,110	1,164	1,198	+2.9
Spring, durum	Mil. bu.	51	88	74	-15.9
Other spring	Mil. bu.	209	388	287	-26.0
Total wheat	Mil. bu.	1,370	1,640	1,559	-4.9
Rice	1,000 tons	4,188	4,216	4,266	+1.2
Rye	Mil. bu.	39	51	31	-39.2
Total food grains	Mil. bu.	1,595	1,878	1,779	-5.3
Feed grains:					
Corn (for grain)	Mil. bu.	4,099	5,540	5,266	-4.9
Sorghum (for grain)	Mil. bu.	696	895	868	-3.0
Oats	Mil. bu.	909	876	731	-16.6
Barley	Mil. bu.	410	462	418	-9.5
Total	Mil. bu.	6,114	7,773	7,283	-6.3
Soybeans, for beans	Mil. bu.	1,124	1,169	1,317	+12.7
Sugar crops:					
Sugarcane	1,000 tons	23,996	24,172	28,106	+16.3
Sugarbeets	1,000 tons	26,378	27,047	27,739	+2.6
Peanuts, for nuts	1,000 tons	1,490	1,502	1,620	+7.9
Potatoes	1,000 cwt.	325,752	319,354	295,976	-7.3
Dry edible beans	1,000 cwt.	17,296	16,168	18,382	+13.7
Dry field peas	1,000 cwt.	3,248	3,967	1,998	-49.6
Citrus fruit:					
Oranges	1,000 tons	8,023	8,222	8,234	+.1
Grapefruit	1,000 tons	2,186	2,472	2,613	+5.7
Other 1/	1,000 tons	1,107	1,206	1,245	+3.2
Total	1,000 tons	11,316	11,900	12,092	+1.6
Noncitrus fruit:					
Grapes	1,000 tons	3,119	3,997	2,637	-34.0
Apples	1,000 tons	3,147	3,055	2,978	-2.5
Peaches	1,000 tons	1,508	1,444	1,261	-12.7
Other 2/	1,000 tons	1,491	1,608	1,378	-14.3
Total	1,000 tons	9,265	10,104	8,254	-18.3
Vegetables for fresh market 3/	1,000 tons	13,518	13,006	12,763	-1.9
Vegetables for processing 4/	1,000 tons	8,402	9,090	9,535	+4.9

1/ Lemons, tangelos, tangerines, and Temple oranges only.

2/ Pears, sweet cherries, tart cherries, apricots, nectarines, cranberries, plums and dried prunes.

3/ Includes melons. Reported production through fall except for late fall spinach and tomatoes.

4/ Green lima beans, snap beans, beets, sweet corn, spinach (Winter and Spring) and tomatoes.Not included: Asparagus for processing, cabbage for kraut, cucumbers for pickles,and fall spinach.

Source: Crop Production, October 12, 1972; Vegetables - Fresh Market and Vegetables - Processing, October 10, 1972. Statistical Reporting Service.

beginning level. The anticipated lack of change in stock levels for these two periods essentially reflects several offsetting changes. The prospective moderate decline in net production of farm food commodities this year will be partly offset by a slight increase in imports. Moreover, a slight decline in civilian food use is largely being offset by a sharp increase in exports, reflecting the impact of grain sales to the USSR.

Food Imports to Increase Slightly

Based on 9 months of data, 1972 imports of farm food commodities are now expected to increase about 1 percent above 1971 levels. This year's rise will be much less than occurred in 1971 and 1970. An anticipated 2 percent decline in crop food product imports will be more than offset by a prospective 13 percent jump in imports of the livestock food product sector. Decreases are expected this year for coffee and tea but they will be partially offset by higher imports of fresh and processed fruits, vegetables, melons, and cocoa and chocolate.

Imports of red meat are expected to be up 12 percent over last year. Imports of red meat—beef, veal, pork, and lamb and mutton—are expected to increase.

Imports of cheese and ice cream are also expected to increase this year. And honey imports are expected to set a new record. Little change is expected in imports of other livestock food products.

Food Exports Up Sharply

The volume of food commodity exports this calendar year is now expected to be nearly 18 percent above last year's level. Crop food exports are expected to rise nearly 22 percent and will account for all of the increase. Livestock products will likely decline by about 8 percent. The impact of grain sales to USSR is reflected in the estimated 22 percent increase in crop food exports this year.

For crop food products, exports of wheat, rice, corn, sorghum, oats, fresh fruits, particularly citrus, and fresh and processed vegetables are all expected to increase. Considerably smaller exports of butter, evaporated milk, and nonfat dry milk will account for most of the prospective drop in exports of livestock food products.

Domestic Utilization to Decline Slightly

Domestic utilization of farm food commodities is now expected to decline less than 1 percent this year, compared with earlier prospects of an increase. Domestic utilization of crop food commodities is expected to be off nearly 1 percent from a year ago while livestock food commodities show a fractional increase. Military procurement is expected to again decline reflecting the winding down of the action in Vietnam. Feed use of crop foods this year is expected to approximate last year's level.

The slight decline in domestic utilization of farm food commodities this year will be offset by the sharp jump in exports. Thus, total utilization of farm food will rise about 2 percent.

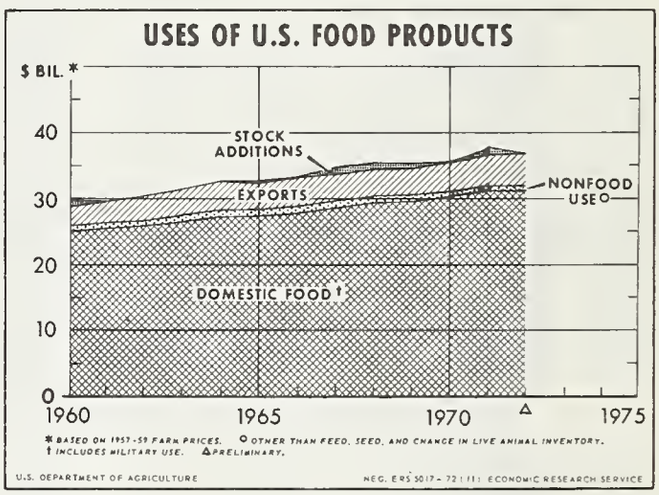

Figure 15

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NUTRITIONAL REVIEW

By Berta Friend
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ABSTRACT: Nutrient levels for 1973 will equal or exceed those for 1972. Ascorbic acid levels are expected to rise 2 percent because of increased consumption of fruits. A smaller increase will occur in several other nutrients because of larger supplies of cheese and meat. Nutrient levels in 1972 are slightly lower than in 1971. However, comparison of 1972 with 1967 nutrient levels reveals large increases.

KEY WORDS: Food supply, diet, food consumption, human nutrition, food economics.

Outlook for 1973

From an early forecast of expected per capita consumption for 1973 it is anticipated that nutrient levels will equal or exceed those for 1972. A 2 percent increase in ascorbic acid is likely because of expected increases in fresh and processed fruits. Smaller increases are predicted for several other nutrients. The meats will contribute to higher levels for iron and, together with cheese, for phosphorus. The larger supplies of cheese will also result in an upturn for calcium.

Situation in 1972

Nutrient levels in the per capita food supply in 1972 are slightly lower than in 1971. Thiamin and ascorbic acid have declined by 2 percent, and an even smaller decline is evident for several other nutrients (table 10). Lower supplies of pork account for the decrease in thiamin; less canned and frozen citrus fruits, other fruits, and potatoes account for the decrease in ascorbic acid.

Small decreases in some foods resulted in a 1 percent change for several nutrients. The slightly lower levels of iron and phosphorus are due to smaller amounts of meats in the food supply; smaller amounts of calcium were due to less nonfat dry milk and evaporated milk, magnesium was down because of less potatoes and fruits, and lower vitamin A value was due to lower quantities of vegetables and fruits.

[1] Nutrients were calculated using consumption estimates as of July 1972. The net effect of a subsquent upward revision for citrus products and potatoes and a downward revision for deciduous fruit consumption would have been an increase in ascorbic acid.

Trends Since 1967

The Energy-yielding Components of Food

All three sources of food energy (calories)—protein, fat, carbohydrate—have increased since 1967 (table 10). Protein and nutrient fat levels are near record highs. A continued increase in use of beef and of salad and cooking oils in the 1970's mainly accounts for higher levels for fat, and larger beef consumption accounts for more protein. Prior to the mid-1960's, the levels for these nutrients had been fairly stable for over a decade. The upturn in carbohydrate is slight but signals a rise in use of sugars and sirups combined with a bottoming out in the consumption of grain products and potatoes and sweetpotatoes groups, which until recently had dropped unabated (figure 16).

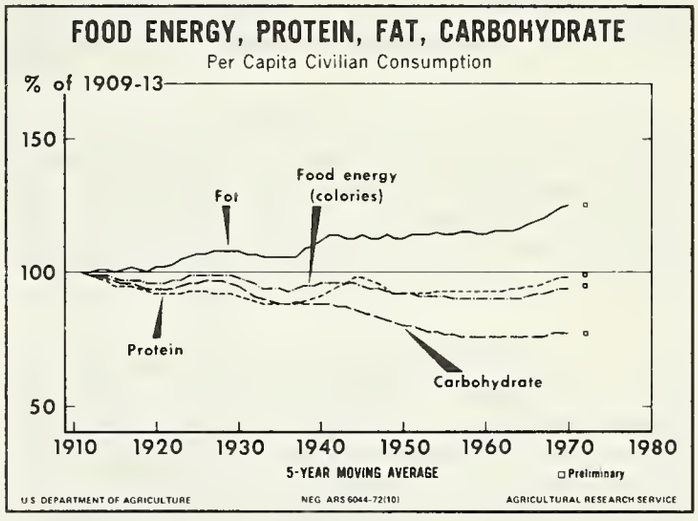

Figure 16

Enrichment and Fortification

The level of most nutrients has risen noticeably in the last 5 years. In some instances, the increase is in part the

Table 10.--Nutrients available for civilian consumption, per capita per day, selected periods 1/

Nutrient	Unit	Average 1957-59	1967	1970	1971	1972 preliminary	1972 as a percentage of 1957-59	1972 as a percentage of 1967	1972 as a percentage of 1971
Food energy	Cal.	3,140	3,210	3,300	3,320	3,300	105	103	99
Protein	Gm.	95	98	100	101	101	106	103	100
Fat	Gm.	143	150	157	158	156	109	104	99
Carbohydrate	Gm.	374	373	380	381	381	102	102	100
Calcium	Gm.	.98	.94	.93	.94	.93	95	99	99
Phosphorus	Gm.	1.51	1.52	1.52	1.54	1.53	101	101	99
Iron	Mg.	16.1	17.2	17.8	18.0	17.9	111	104	99
Magnesium	Mg.	348	343	342	343	341	98	99	99
Vitamin A value	I.U.	8,000	7,900	8,200	8,200	8,100	101	103	99
Thiamin	Mg.	1.84	1.91	1.93	1.97	1.94	105	102	98
Riboflavin	Mg.	2.28	2.33	2.35	2.37	2.36	104	101	100
Niacin	Mg.	20.6	22.4	23.1	23.3	23.2	113	104	100
Vitamin B^6	Mg.	2.01	2.18	2.26	2.29	2.28	113	105	100
Vitamin B^{12}	Mcg.	8.9	9.5	9.9	9.9	9.9	111	104	100
Ascorbic acid	Mg.	105	108	114	116	114	109	106	98

1/ Quantities of nutrients computed by Agricultural Research Service, Consumer and Food Economics Research Institute, on the basis of estimates of per capita food consumption (retail weight), including estimates of produce of home gardens, prepared by the Economic Research Service. No deduction made in nutrient estimates for loss or waste of food in the home, use for pet food, or for destruction or loss of nutrients during the preparation of food. Civilian consumption. Data include iron, thiamin, riboflavin, and niacin added to flour and cereal products; vitamin A value added to margarine, milk of all types, milk extenders, and used in other foods; vitamin B_6 added to cereals, meal replacements, infant formulas, etc.; vitamin B_{12} added to cereals; ascorbic acid added to fruit juices and drinks, flavored beverages and dessert powders, milk extenders, cereals, and used in other foods. Quantities for 1960-66 were estimated in part by Consumer and Food Economics Institute.

result of the enrichment and fortification of food. (See page 29 of this issue for a report on the 1966-70 survey on enrichment and fortification. Data from that survey were used in estimating the nutritive value of the food supply for 1967 to 1970, data for 1970 were used to estimate nutrients in the 1971 and 1972 food supply.)

Iron, Thiamin, Riboflavin, Niacin.—These nutrients used in enrichment of grain products—iron, thiamin, riboflavin, and niacin—have increased since 1967 (table 10). Grain products together with the meat, poultry, and fish group provide over 70 percent of the niacin and are also the largest sources of thiamin, iron, and riboflavin. However, the dairy products group is the largest contributor of riboflavin and provides practically as much of the total supply of this nutrient as the other 2 groups combined (table 11). Although greater use of meat and poultry accounted for a large portion of the recent increases in these nutrients, particularly iron and niacin, enrichment also was important.

The impact of enrichment on nutrient levels since its initiation in the early 1940's is indicated in figure 17. Prior to enrichment, a gradual decline in the three B-vitamins and iron reflected in part the continuous drop in the consumption of grain products since early in the century. Enrichment brought about a sharp rise in per capita amounts of all 4 nutrients—increases that have been maintained substantially above pre-enrichment levels in spite of a one-third drop in use of flour since the mid-1940's. The share of the total thiamin in the food supply accounted for by enrichment is shown in figure 18. Currently, the food supply contains about 40 percent more thiamin than would have been provided if foods were not enriched. The proportion of the other three nutrients supplied by enrichment, while considerable, is not as large as for thiamin.

Table 11.--Contribution of major food groups to nutrient supplies available for civilian consumption, 1957-59 average and 1972 1/

Food groups	Food energy	Protein	Fat	Carbohydrate	Calcium	Phosphorus	Iron	Magnesium	Vitamin A value	Thiamin	Riboflavin	Niacin	Vitamin B_6	Vitamin B_{12}	Ascorbic acid
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1957-59 Average															
Meat (including pork fat cuts), poultry, and fish	18.2	35.7	33.0	0.1	3.2	22.0	27.1	10.9	19.9	27.4	21.2	42.3	39.8	64.9	1.1
Eggs	2.6	6.8	4.0	.1	2.8	6.8	7.1	1.6	7.3	2.8	6.5	.1	2.7	11.2	0
Dairy products, excluding butter	13.5	24.5	16.5	7.7	76.6	38.8	2.3	23.3	12.7	10.5	45.3	2.0	11.3	23.9	5.2
Fats and oils, including butter	16.0	.1	39.4	(2)	.4	.2	0	.3	8.7	0	0	0	.1	0	0
Citrus fruits	.7	.4	.1	1.5	.8	.6	.8	1.7	1.1	2.1	.4	.7	1.2	0	22.1
Other fruits	2.6	.8	.3	5.6	1.3	1.3	4.4	4.4	6.9	2.2	1.8	2.3	6.9	0	10.9
Potatoes and sweetpotatoes	2.8	2.4	.1	5.3	1.0	3.9	4.3	7.2	8.3	6.4	1.9	7.6	13.6	0	20.6
Dark green and deep yellow vegetables	.3	.5	(2)	.5	1.6	.7	1.9	2.3	20.7	.9	1.2	.7	2.0	0	9.2
Other vegetables, including tomatoes	2.3	3.3	.4	4.2	4.6	4.7	9.1	10.2	13.8	6.9	4.4	6.2	9.9	0	30.8
Dry beans and peas, nuts, soya flour	2.9	5.2	3.2	2.3	2.6	5.7	7.4	10.8	(2)	6.0	1.9	6.3	4.7	0	(2)
Flour and cereal products	21.4	19.9	1.5	37.6	3.3	13.1	28.2	18.4	.4	34.8	14.6	25.2	7.6	0	0
Sugars and other sweeteners	15.8	(2)	0	34.2	.8	.2	4.3	.2	0	(2)	.1	(2)	.1	0	(2)
Miscellaneous 3/	.8	.4	1.4	.7	1.1	2.0	3.0	8.6	(2)	.1	.8	6.4	.1	0	0
Total 4/	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972 5/															
Meat (including pork fat cuts), poultry and fish	20.8	42.0	35.8	0.1	3.6	26.6	30.1	14.1	22.4	29.0	24.9	46.6	46.4	69.1	1.1
Eggs	2.2	5.7	3.3	.1	2.6	6.0	5.8	1.4	6.5	2.4	5.6	.1	2.1	9.1	0
Dairy products, excluding butter	11.3	22.3	12.7	6.8	76.0	36.1	2.3	22.0	13.1	9.1	40.8	1.6	10.3	20.3	4.1
Fats and oils, including butter	17.3	.1	41.2	(2)	.4	.2	0	.4	8.1	0	0	0	0	0	0
Citrus fruits	.8	.4	.1	1.7	.9	.7	.8	2.0	1.3	2.4	.4	.8	1.1	0	24.0
Other fruits	2.2	.6	.2	4.8	1.2	1.1	3.4	3.9	6.1	1.8	1.5	1.7	5.3	0	12.1
Potatoes and sweetpotatoes	2.8	2.4	.1	5.4	.9	3.9	4.4	7.3	5.0	6.2	1.7	7.2	11.3	0	18.9
Dark green and deep yellow vegetables	.2	.4	(2)	.5	1.6	.6	1.6	2.0	20.2	.8	1.1	.6	1.7	0	8.2
Other vegetables, including tomatoes	2.4	3.2	.4	4.6	4.8	4.8	8.9	10.3	14.8	6.6	4.3	5.8	8.9	0	27.9
Dry beans and peas, nuts, soya flour	2.9	4.8	3.6	2.0	2.5	5.5	5.8	10.7	(2)	5.0	1.7	6.7	3.9	0	(2)
Flour and cereal products	19.5	17.7	1.3	35.5	3.4	12.4	28.9	18.1	.4	36.5	17.3	24.3	8.9	1.5	0
Sugars and other sweeteners	16.9	(2)	0	37.9	1.1	.2	5.7	.2	0	(2)	(2)	(2)	0	0	(2)
Miscellaneous 3/	.7	.4	1.2	.6	1.0	1.8	2.4	7.6	2.3	.1	.7	4.7	.1	0	3.6
Total 4/	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1/ Percentages for food groups are based on nutrient data included in totals in table . 2/ Less than 0.05 percent. 3/ Coffee and cocoa (chocolate liquor equivalent of cocoa beans) and fortification of products not included in food groups listed. 4/ Components may not add to total due to rounding. 5/ Preliminary.

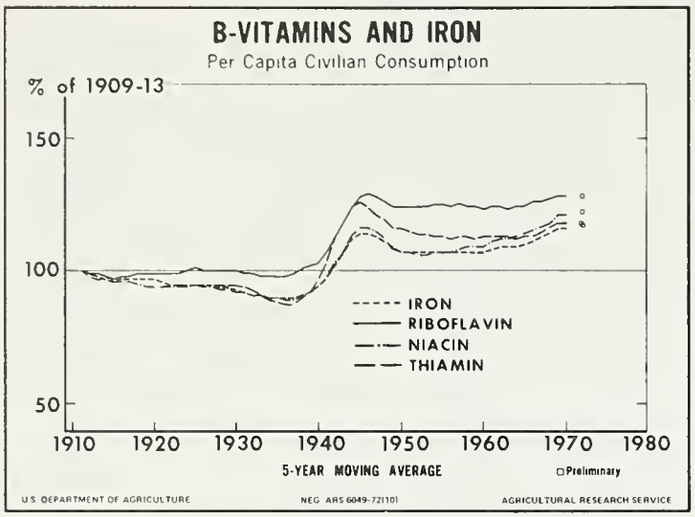

Figure 17

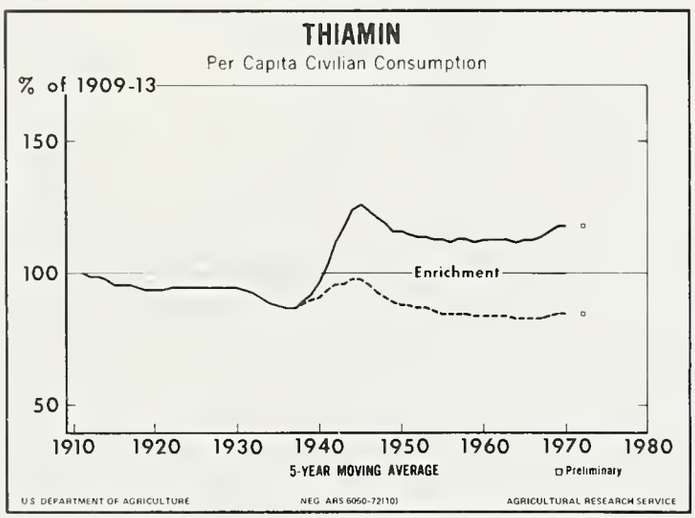

Figure 18

Vitamin B^6, Vitamin B^{12}.—Since 1967, vitamin B^6 and vitamin B^{12} have gained 5 and 4 percent respectively (table 10), largely because of increased consumption of meat. The meat, poultry, and fish group supplies almost half of the vitamin B^6 and approximately 70 percent of the vitamin B^{12} The addition of vitamin B^6 to foods such as cereals, meal replacements, infant formulas, etc., and the additon of vitamin B^{12} to cereals helped raise levels of these vitamins to all-time highs. Quantities of these nutrients added to foods have about doubled since 1967.

Acorbic Acid (Vitamin C).—Of all the nutrients estimated in this report, ascorbic acid showed the greatest gain and all but about 1 percentage point of the 6 percent increase was due to fortification. The 1972 food supply contains 9 percent more ascorbic acid than if there had been no fortification; in 1967 about 4 percent came from fortification. For both years the quantity of ascorbic acid added to the food supply was distributed equally between fortified fruit juices and drinks (under "other fruits," excluding citrus) and miscellaneous foods such as fortified beverages and dessert powders (table 11). The "other fruit" group, including fortification, now provides 12 percent of the total vitamin C equal to one-half the contribution made by citrus fruits, a major source of vitamin C. Vegetables, including potatoes and sweetpotatoes, provide 55 percent of the total ascorbic acid.

Vitamin A Value.—The fortification of certain foods accounted for most of the 3 percent increase in vitamin A value since 1967 (table 10). Larger amounts added to all types of milk and to other foods, including flavored milk extenders, contributed a large part of the increase.

29-33

ENRICHMENT AND FORTIFICATION OF FOODS, 1966-70

By Berta Friend
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ABSTRACT: Based on a recent survey covering 1966-70, enrichment and fortification supplemented nutrients in the 1970 food supply by the following percentages: Thiamin, 40 percent; iron, 25; niacin, 20; riboflavin, 15; vitamin A value, 10; ascorbic acid, 10; vitamin B^6, 4; and vitamin B^{12}, 2 percent. An estimated 65 percent of the white flour, either as family flour, as commercial flour, or as commercially baked bread or other bakery products, is enriched and nutrients added to other cereal products have increased markedly in recent years. Ascorbic acid added to foods has increased almost 2½ times since 1967 due, in part, to the growing trend to fortify beverages. At the same time, use of vitamin A in milk of all types nearly doubled. Although no consistent changes were reported in the use of vitamin D, its major use in food continues to be for fortification of milk. Use of vitamin B^6 and vitamin B^{12} in cereals more than doubled over the 5 years, but use of vitamin B^6 sold for addition to infant formulas, meal replacements, and other uses increased 3½ times. The kinds of iron compounds added to grain products were reported only for 1970.

KEY WORDS: Enrichment, fortification, food supply, diet, food consumption, human nutrition, food economics.

The estimation of the nutritive value of the U.S. per capita food supply requires information on the extent of enrichment and fortification of foods. To obtain such data, the Bureau of Census periodically conducts surveys for the U.S. Department of Agriculture. In these surveys, manufacturers and distributors of vitamins and minerals provide information on the production of nutrients sold for use in food. The results of the fifth such survey, the first in nearly 10 years, are reported here. This survey covers 1966-70.

The first 3 surveys (covering 1946-47, 1948-49, and 1950-53) provided estimates of the total enrichment ingredients used in flour, bread, other bakery products, and in all other cereal food products as a group. The 1957-61 survey was expanded to collect data by types of cereal products, and on production of ascorbic acid, vitamin A, and vitamin D for nutritive application to foods. The current survey was further broadened to include the use of vitamin B^6 and vitamin B^{12}. In addition, data were collected for the first time on the types of iron compounds used in enrichment and fortification of foods in 1970.[1]

"Enriched" and "fortified" are terms generally used to denote the addition of nutrients such as vitamins and minerals to food, and are often used interchangeably. In the strict legal sense, the term "enriched" applies solely to the Food and Drug Administration's standards of identity for cereal products with specified contents of thiamin, riboflavin, niacin, and iron. Although the term is sometimes popularly applied to other foods, a more accurate term is "fortified," which is a broad term denoting the addition of nutrients to foods other than standardized cereals. For example, addition of vitamin D to milk or vitamin A to oleomargarine is not "enrichment" but "fortification."

Enrichment and Fortification of Flour and Baked Goods

Total quantities of enrichment ingredients—niacin, thiamin, riboflavin, iron—produced for use in flour, bread, and other bakery products were lower in 1970 than in 1966 (table 12). Nevertheless, the 1970 figures are similar to those reported for 1961 (the final year of the previous 5-year survey) varying only about 5 to 10 percent for the individual nutrients. Of the total number of formulations produced in 1970 for use in bread and other bakery products, half were high-potency riboflavin wafers or packets and more than one-third were in the form of enriched salt and other enrichment formulations. A pronounced shift has occurred in types of wafers and packets produced. Low potency riboflavin wafers and packets dropped from 75 percent of the total reported in 1961 to 35 percent in 1966 and 15 percent in 1970.

The current survey suggests that about 65 percent of the white flour (either as family flour, as commercial flour, or as commercially baked white bread or other

[1] The latest survey was taken before the expansion in the number and amount of enriched and fortified foods which came on the market after 1970.

Table 12.—Use of vitamins and minerals in flour, bread, other bakery products, and other cereal products, 1966-70

Type, use, and ingredients	1966	1967	1968	1969	1970
1. Bulk quantities for:	*Kilograms*	*Kilograms*	*Kilograms*	*Kilograms*	*Kilograms*
a. Use in mixes for flour (commercial or family), breads, and other bakery products					
Niacin	94,757	84,023	81,236	71,014	73,780
Thiamin	14,363	13,384	13,454	13,109	14,361
Riboflavin	7,831	7,432	8,560	7,445	8,267
Vitamin B_{12}	(1)	(1)	(1)	(1)	(1)
Iron	79,894	76,190	75,481	69,612	66,786
b. Use in preparing mixtures for other cereal products[2]					
Niacin	77,046	86,990	93,413	101,344	107,890
Thiamin	12,578	15,079	15,129	16,643	16,941
Riboflavin	[3]5,689	[3]7,323	[3]8,085	[3]8,268	[3]9,270
Vitamin B_6	1,596	2,529	2,543	2,812	3,836
Vitamin B_{12}	4.391	5.786	7.004	11.523	10.941
Other vitamins	(1)	(1)	(1)	(1)	(1)
Iron	73,950	88,878	99,809	109,278	120,657
Other minerals	(1)	(1)	(1)	(1)	(1)
c. Total bulk quantities[2]					
Niacin	171,803	171,013	174,649	172,358	181,670
Thiamin	26,941	28,463	28,583	29,752	31,302
Riboflavin	[3]13,520	[3]14,755	[3]16,645	[3]15,713	[3]17,537
Vitamin B_6	1,596	2,529	2,543	2,812	3,836
Vitamin B_{12}	4.391	5.786	7.004	11.523	10.941
Other vitamins	(1)	(1)	(1)	(1)	(1)
Iron	153,844	165,068	175,290	178,890	187,443
Other minerals	(1)	(1)	(1)	(1)	(1)
2. Wafers, packets and other formulations for use in bread and other bakery products:[4]	*Number*	*Number*	*Number*	*Number*	*Number*
a. High potency riboflavin	29,816,000	28,955,547	33,061,780	36,496,000	41,468,195
b. Low potency riboflavin	33,343,594	30,451,843	17,748,303	15,771,000	11,687,736
c. Enriched salt and other enrichment formulations[5]	29,702,650	30,734,350	30,330,750	33,902,100	28,580,000
3. Content of enrichment wafers (Calculated from 2):	*Kilograms*	*Kilograms*	*Kilograms*	*Kilograms*	*Kilograms*
Niacin	111,435	108,170	97,369	103,403	98,083
Thiamin	17,644	17,127	15,417	16,372	15,530
Riboflavin	7,380	7,200	6,645	7,117	6,663
Iron	83,576	81,128	73,027	77,552	73,562
4. Total: Bulk and wafers[2]					
Niacin	283,238	279,183	272,018	275,761	279,753
Thiamin	44,585	45,590	44,000	46,124	46,832
Riboflavin	[3]20,900	21,955	[3]23,290	22,830	[3]24,200
Vitamin B_6	1,596	2,529	2,543	2,812	3,836
Vitamin B_{12}	4.391	5.786	7.004	11.523	10.941
Other vitamins	(1)	(1)	(1)	(1)	(1)
Iron	237,420	246,196	248,317	256,442	261,005
Other minerals	(1)	(1)	(1)	(1)	(1)

[1] Omitted to avoid disclosing figures for individual companies. [2] Quantities used for exported rice were not obtained. [3] Excludes riboflavin used in the enrichment of rice to avoid disclosing figures for individual companies. [4] Each unit enriches 100 pounds of flour and contains: thiamin 190 mg., niacin 1200 mg., iron 900 mg., riboflavin a) 90 mg., b) 70 mg., c) 80 mg. [5] Data combined to avoid disclosing figures for individual companies.

Survey of Enrichment and Fortification of Foods, 1966-70, Consumer and Food Economics Institute, ARS, USDA, and Bureau of the Census, Department of Commerce.

bakery products) could have been enriched in 1970 compared with approximately 60 percent in 1961. These estimates are based on the amount of white flour that could have been enriched by wafers, packets, and other enrichment formulations reported, plus estimates of the amount of white flour that could have been enriched at minimum levels with the reported amounts of bulk enrichment ingredients. Adjustments were made in these estimates to exclude enriched flour used by the military and in foreign trade. Chiefly because flour exports declined, more enrichment ingredients became available for the remaining domestic supply. As importing countries develop their own milling industries, grain is imported instead of flour. Also contributing to the decrease in the export of flour are shipments abroad of products such as WSB (wheat-soy blend) and CSM (corn, soy, milk).

Enrichment and Fortification of Other Cereal Products

Total enrichment ingredients for use in cereals other than flour, bread, and other bakery products increased substantially from 1966 to 1970 (table 13). Gains ranged from a third for thiamin to nearly two-thirds for riboflavin and iron. Approximately one-half of the total amounts reported in 1970 for most of the ingredients was used for ready-to-eat and hot cereals, one-third for macaroni products, one-tenth for rice, and one-tenth for cornmeal and hominy grits.

Although data on the production of vitamin B^6 and vitamin B^{12} for addition to grain products are available from the latest survey only, amounts reported increased steadily during the 5-year period, more than doubling by 1970 (table 12). Some ascorbic acid (vitamin C) was used in ready-to-eat cereals as reported under "other uses" (table 14).

Iron Compounds Added to Grain Products

Recent studies continue to suggest that the availability of iron to the body may vary according to the source of iron. For this reason, data were obtained on the various iron compounds added to grain products in 1970. Estimates of the percentage of total iron

Table 13.—Use of vitamins and minerals in preparing mixtures for cereals, macaroni, rice, and cornmeal and hominy grits, 1966-70

Use and ingredients	1966	1967	1968	1969	1970
	Kilograms	*Kilograms*	*Kilograms*	*Kilograms*	*Kilograms*
Total:					
Niacin	77,046	86,990	93,413	101,344	107,890
Thiamin	12,578	15,079	15,129	16,643	16,941
Riboflavin	5,689	7,323	8,085	8,268	9,270
Vitamin B_6	1,596	2,529	2,543	2,812	3,836
Vitamin B_{12}	4.391	5.786	7.004	11.523	10.941
Other vitamins	(1)	(1)	(1)	(1)	(1)
Iron	73,950	88,878	99,809	109,278	120,657
Other minerals	(1)	(1)	(1)	(1)	(1)
Ready-to-eat and hot cereals:					
Niacin	29,292	35,733	35,316	38,923	49,558
Thiamin	5,729	6,977	6,473	6,876	7,600
Riboflavin	2,156	3,470	3,769	3,804	4,983
Vitamin B_6	1,596	2,529	2,543	2,812	3,836
Vitamin B_{12}	4.391	5.786	7.004	11.523	10.941
Other vitamins	(1)	(1)	(1)	(1)	(1)
Iron	36,138	47,141	55,760	58,461	74,060
Other minerals	(1)	(1)	(1)	(1)	(1)
Macaroni:					
Niacin	19,650	31,807	31,092	31,220	35,151
Thiamin	3,178	5,276	5,026	5,000	5,626
Riboflavin	1,702	2,826	2,844	2,703	3,026
Iron	9,219	14,837	13,850	14,626	16,503
Rice:[2]					
Niacin	6,955	7,702	10,271	11,378	9,229
Thiamin	1,079	1,345	1,526	2,288	1,699
Riboflavin	(1)	(1)	(1)	(1)	(1)
Iron	10,140	16,709	15,995	20,284	17,474
Cornmeal and hominy grits:					
Niacin	21,149	11,748	16,734	19,823	13,952
Thiamin	2,592	1,481	2,104	2,479	2,016
Riboflavin	1,831	1,027	1,472	1,761	1,261
Iron	18,453	10,191	14,204	15,907	12,620

[1] Omitted to avoid disclosing figures for individual companies.
[2] Quantities used for exported rice were not obtained.

Survey of Enrichment and Fortification of Foods, 1966-70, Consumer and Food Economics Institute, ARS, USDA, and Bureau of the Census, Department of Commerce.

Table 14.—Use of selected vitamins, 1966-70

Vitamins and food use	1966	1967	1968	1969	1970
	Kilograms	*Kilograms*	*Kilograms*	*Kilograms*	*Kilograms*
Vitamin B_6:					
Ready-to-eat and hot cereals	1,596	2,529	2,543	2,812	3,836
Meal replacements, infant formulas, other uses	573	585	604	1,336	1,956
Vitamin B_{12}:					
Ready-to-eat and hot cereals	4.391	5.786	7.004	11.523	10.941
Meal replacements, infant formulas, other uses	(1)	(1)	(1)	(1)	(1)
Ascorbic acid:					
Fruit juices and fruit drinks	217,293	232,441	473,098	474,115	503,639
Flavored beverages and dessert powders	(1)	51,965	89,619	70,797	173,552
Other uses[2 3]	61,230	92,415	110,630	199,005	230,209
	Million Int'l units	*Million Int'l units*	*Million Int'l units*	*Million Int'l units*	*Million Int'l units*
Vitamin A value:					
Milk, all types	(1)	11,443,401	15,754,187	20,180,599	20,187,226
Margarine	23,455,706	24,225,861	27,821,039	30,274,939	28,513,889
Other uses[2 4]	7,533,612	7,291,135	8,828,935	8,627,260	14,999,552
Vitamin D value:					
Milk all types	13,819,173	16,155,254	14,431,510	12,396,748	12,115,026
Margarine and other uses[2 5]	1,558,779	2,235,803	1,357,485	2,239,137	3,038,528

[1] Omitted to avoid disclosing figures for individual companies. [2] Uses combined to avoid disclosing figures for individual companies. [3] Includes flavored milk extenders and ready-to-eat cereals with "other uses" category. [4] Includes flavored milk extenders with "other uses" category. [5] Includes flavored milk extenders with margarine and "other uses" categories.

Survey of Enrichment and Fortification of Foods, 1966-70, Consumer and Food Economics Institute, ARS, USDA, and Bureau of the Census, Department of Commerce.

provided by specific compounds were reported. Reduced iron ranked highest and provided 31 percent of the total amount (table 15). Ferrous sulphate, ferric orthophosphate, and sodium iron pyrophosphate contributed 20, 18 and 16 percent of the total, respectively. The major uses of these compounds were reported as follows:

Reduced iron - flour, bread, cereals

Ferrous sulphate - flour, bread

Ferric orthophosphate - macaroni, rice, cornmeal, hominy grits, cereals, bread

Sodium iron pyrophosphate - cereals, macaroni, rice, cornmeal, hominy grits, bread

Table 15.—Distribution of iron from specified iron compounds added to grain products, 1970

Iron Compounds	Total bulk and wafer	Bulk			Enrichment wafers for bread products
		Commercial flour or bread	Macaroni, rice, corn-meals and hominy grits	Cereals	
	Percent	*Percent*	*Percent*	*Percent*	*Percent*
Reduced iron	31	64	16	[1] 30-40	[1] 0-5
Ferric orthophosphate	18	[1] 1-5	37	[1] 20-30	15
Sodium iron pyro-phosphate	16	---	25	[1] 30-40	[1] 5-10
Ferrous sulphate	20	[1] 10-20	3	[1] 0-5	47
Ferrous pyrosulphate	---	---	---	---	---
Ferric ammonium citrate	[1] 0-5	---	---	[1] 0-5	---
Ferrous fumarate	---	---	---	---	---
Other	[1] 10-15	[1] 10-20	19	[1] 0-5	28
Total	100	100	100	100	100

-Represents zero. [1] Exact percentages withheld to avoid disclosing figures for individual companies.

Fortification of Other Foods

Fortification of food continues to add significantly to the nutritive value of the U.S. food supply. Early fortification took the form of adding vitamin D to milk, vitamin A to margarine, and iodine to salt. Now many foods are fortified with these or other nutrients. This survey reports on the use of vitamin B^6, vitamin B^{12}, ascorbic acid, vitamin A, and vitamin D (table 14).

Vitamin B^6 and Vitamin B^{12}.—An increased use of these vitamins is evident even though data are limited to 1966-1970. Use of vitamin B^6 and B^{12} in cereals gained considerably during that period, as mentioned earlier. Only limited data are available on other uses, but the amount of vitamin B^6 for addition to infant formulas, meal replacements, or for other uses was almost 3½ times greater in 1970 than in 1966. Moreover, the vitamin B^6 used for these purposes increased from one-fourth to one-third of the total reported during the same time period.

Ascorbic Acid.—The growing trend to fortify many beverages to levels that will equal or surpass the ascorbic acid content of orange juice contributed to the marked gain in use of ascorbic acid for nutritive application to food. Total use increased almost 2½ times from 1967 to 1970. For more than a decade, production of ascorbic acid for addition to fruit juices and drinks rose steadily, more than tripling between 1957 and 1961, and more than doubling between 1966 and 1970. Data for flavored beverages and dessert powders are not as complete, but amounts reported suggest more than a 3-fold increase between 1967 and 1970. "Other uses" of ascorbic acid, which include additon to flavored milk extenders, meal replacements and ready-to-eat cereals, almost quadrupled during the 5 years covered by the survey.

Vitamin A and Vitamin D.—By 1970 the amount of vitamin A produced for nutritive application to food was half again as much as that reported for 1967. During this time use of vitamin A in milk of all types nearly doubled. Since 1957, when data on use of this vitamin were first reported, the total amount of vitamin A has more than tripled while its use in milk increased almost 9 times. Since 1966, however, quantities sold for addition to margarine have increased little. This is not surprising because per capita consumption of margarine increased only 0.5 pound and the level of fortification remained unchanged. Amounts reported for "other uses," which include flavored milk extenders, doubled between 1967, when they accounted for about one-sixth of the total, and 1970, when their share was almost one-fourth.

Since 1957, total vitamin D produced for nutritive application to food has more than doubled. However, no consistent change in its use in food is evident during the 5 years covered by the latest survey. The largest proportion continues to be added to milk. Amounts going for margarine, flavored milk extenders, and "other uses" are considerably smaller than for milk but reached a record level in 1970.

Nutritional Contribution of Enrichment and Fortification

Preliminary estimates suggest that enrichment and fortification supplemented 1970 nutrient supplies by the following percentages: thiamin, 40 percent; iron, 25 percent; niacin, 20 percent; riboflavin, 15 percent; vitamin A value, 10 percent; ascorbic acid, 10 percent; vitamin B^6 4 percent; and vitamin B^{12}, 2 percent. Thus, enrichment and fortification of foods make a significant contribution to the nutritional quality of the national diet.

Future Enrichment and Fortification

The White House Conference on Food, Nutrition, and Health in December 1969 stimulated interest in and gave impetus to enrichment and fortification of food. The food industry responded by voluntarily embarking on new programs of food fortification. The extent of these efforts can be seen by the increasing number of nutrient-fortified products appearing in the market place. The Federal Government through the Food and Drug Administration has proposed increasing levels of enrichment ingredients, especially iron, for flour, bread, rolls and buns. It has also proposed that producers of bakery products containing 25 percent or more enriched flour in the formulation be permitted to feature this enrichment in label statements. If companies can increase sales by calling attention to such added enrichment, a further increase in the use of enrichment ingredients is likely.

As recently as September 9, 1972, the Food and Drug Administration proposed mandatory fortification of all milk such that each quart contains 400 International Units of vitamin D and mandatory fortification of low-fat and skim milk such that each quart also contains at least 2,000 International Units of vitamin A.

Because of these trends towards the increasing enrichment and fortification of food in the 1970's the survey reported here may well serve as a benchmark for years to come.

34-43

SPICE TRENDS IN THE UNITED STATES

by Frederick D. Gray

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ABSTRACT: Spices now are more important than they used to be. Their present use is largely limited to flavoring and seasoning instead of preservation which was so important before mechanical refrigeration. Per capita spice consumption has increased in recent years from 1.12 pounds in 1965 to 1.41 pounds in 1972. Both rising incomes and changing life-styles help explain rising spice consumption.

A major share of the rise came from mustard seed whose per capita consumption increased from 0.24 pound to 0.45 pound during the same period. Per capita consumption of caraway, poppy, and sesame seed also increased, from 0.22 pound in 1965 to 0.28 pound in 1972. Per capita consumption levels of black and white pepper, other pepper, cinnamon and cassia, other herbs, and other spices changed little during this period. Mustard seed is our number one import in volume, and black and white pepper leads in value. Vanilla beans are second in value.

KEY WORDS: Spices, mustard seed, pepper, trends, imports, consumption.

Spices today are more important in the United States than in the past even though their use is primarily limited to seasoning and flavoring. In the days before mechanical refrigeration spices were primarily used for preservation of food as well as for seasoning. This article updates an earlier study and focuses mostly on changes since World War II (1)[1]. The culinary seasonings covered here comprise some 36 different items. The analysis is limited to trends in 7 major groups: Mustard seed; black and white pepper; other pepper; cassia and cinnamon; caraway, sesame, and poppy seed; other herbs; and other spices.

What are spices?

Spices have little food value and are used mostly for flavoring or seasoning foods or for garnishing. Traditionally, spices are differentiated from herbs in that spices generally come from the tropics, while herbs are usually grown in temperate climates. Spices are defined as aromatic vegetable substances (including seeds, leaves, stems, bark, roots, or other relevant plant parts) from which virtually none of the volatile oil or other flavoring principle has been removed (5-2). Since herbs include only aromatic leaves, stems and flower heads, the spice-type seeds gown in temperate climates are frequently called aromatic seeds (such as mustard or sesame seed). However, the term "spices" often is used to include spices (grown in tropical climates), herbs, and aromatic seeds.

[1]Numbers in parentheses refer to selected references at end of article.

The United States imports most of its spices because they are derived from tropical plants not adapted to the United States, and because of the large amounts of hand labor required for producing herbs and spices commercially (1). The United States is the world's largest importer and consumer of spices, herbs and aromatic seeds used to season food products (2).

Spice consumption has increased in recent years

Both total consumption and per capita consumption of virtually all seasonings analyzed here have increased in recent years. Because per capita consumption of spices traditionally has been less than two pounds per year, consumption trends for individual spices are usually evaluated in terms of total consumption. Mustard seed, and black and white pepper are exceptions (3).

Per capita consumption of total spices was only 0.78 pound in 1920, slowly increasing to 1.02 pounds in 1960 (table 16). However, from 1960 to 1971, per capita consumption rose nearly 40 percent to the 1.41 pound level in 1972. One factor related to rising spice consumption is ever-higher income levels. But perhaps more important and also related to rising incomes is the ever-changing life-style, such as the desire for convenience foods and the increasing number of people eating out, frequently at fast-food service facilities. Another factor is the interest in gourmet-type foods, and the desire of some housewives to add another dimension to their lives through home cooking and baking with spices.

Table 16.--Spices and herbs: Per capita consumption, 1920-72 1/

Year	Mustard seed	Pepper			Poppy, sesame, and caraway seed	Cassia and Cinnamon	Other herbs 2/	Other spices 3/	Total spices and herbs
		Black and white	Other pepper	Total pepper					
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1920	0.15	0.24	0.07	0.31	0.05	0.07	0.02	0.18	0.78
1930	.15	.24	.11	.35	.16	.06	.02	.15	.89
1940	.24	.26	.11	.37	.13	.07	.03	.19	1.03
1950	.23	.18	.13	.31	.13	.06	.03	.14	.90
1960	.25	.21	.17	.38	.18	.07	.04	.10	1.02
1965	.24	.24	.19	.43	.22	.07	.05	.11	1.12
1966	.27	.24	.21	.45	.22	.07	.05	.11	1.17
1967	.30	.25	.21	.46	.23	.07	.06	.11	1.23
1968	.35	.24	.21	.45	.25	.06	.06	.11	1.28
1969	.39	.26	.21	.47	.26	.06	.06	.10	1.34
1970	.42	.26	.20	.46	.27	.06	.06	.10	1.37
1971 4/	.44	.26	.21	.47	.27	.06	.07	.10	1.41
1972 5/	.45	.25	.20	.45	.28	.06	.07	.10	1.41

1/ Consumption of all items is estimated on the basis of a 5-year moving average of total apparent supply (minus exports, reexports, and shipments to territories when available). The 5-year moving average of this residual attempts to adjust data for unreported net changes in stocks.

2/ Based upon imports for consumption of the following herbs (including celery seeds): Celery seeds, laurel (bay) leaves, marjoram, origanum (oregano), sage, and thyme, and beginning in August 1963, basil, mint leaves, parsley, rosemary, savory, and tarragon.

3/ Based upon imports for consumption of the following spices or aromatic seeds: Allspice (pimento), anise seed, cardamon seed, cloves, cummin seed, curry and curry powder, fennel seed, ginger root, mace, nutmeg, turmeric, vanilla beans, and other spices. Until 1954, includes fenugreek, and tonka beans; beginning in August 1963 includes dill.

4/ Preliminary.

5/ Forecast for calendar year 1972.

Note: Data for years 1920-64 may be obtained upon request: Food Consumption and Utilization Section, ERS, Washington, D.C. 20250.

Industry characteristics

There are believed to be around 110 U.S. establishments which clean, blend, process and package spices (5-6). Establishments usually process a number of spices to take advantage of certain economies of production and to provide distributors and consumers with a full line of products. Moreover, virtually all companies sell other food products, such as coffee or tea, though spices usually account for a significant portion of company sales (5-6). However, some companies do specialize and actively promote their brands of mustard, or pepper, or certain other spices.

In 1967, the free alongside ship (F.A.S.) value (value in exporting country before loading for shipment to the United States) of imported spices totaled $60 million. The Bureau of the Census reported value of shipments by U.S. manufacturers of $248 million in that year, including mustard, $37 million, and black and white pepper, $36 million. In 1971, the f.o.b. value of imported spices was $81 million (2). Manufacturer data for 1971 are not available but their value has also likely increased.

Nearly all our imported spices are in the crude or unground form for two very important reasons. Ground spices lose their volatile flavor constituents much more rapidly, and thus can be stored for a shorter time than unground spices (5-6). Moreover, it is much easier to maintain quality control standards by maintaining substantial inventories of unground spices of varying quality and blending these to buyer specifications (5-6). Food manufacturers usually do not import or process spices, but purchase them from spice grinders to suit their own specifications.

Of 29 spices which may be imported duty free, 17 of them must be in the unground or unprocessed form to qualify. Though duties are relatively small on the processed items—generally not more than 7.5 percent ad valorem—this is still a strong incentive to import spices in unmanufactured form.

Spice prices vary considerably

Prices of most spices are somewhat unstable and can vary considerably in a relatively short period. They may halve on the decline or double on the rise. Moreover, prices for several spices, such as vanilla beans, don't usually reach very low levels.

Mustard seed prices (New York spot) haven't exceeded 12 cents per pound in recent years (see table 17). Black and white pepper prices are usually 3 to 5 times higher than mustard seed prices. Vanilla bean prices have exceeded $5.50 per pound in recent years and have been trending upwards.

See tables 17 and 18 for recent price range of our most popular herbs and spices.

Mustard seed consumption way up

Mustard seed is now the largest U.S. spice import in quantity, and total imports in 1971 exceeded 95 million pounds (table 19). Until 1965, black and white pepper was the largest U.S. spice import on a volume basis, but mustard seed imports nearly doubled between 1966 and 1972, while pepper imports increased by only half. Per capita mustard seed consumption totaled 0.45 pound in 1972 up from 0.24 pound in 1965 and 1960 (figure 19).

Table 17.—Spices: Approximate New York spot quotations as of early March, 1966-72

Type of spice	Price Range		
	Low	Average	High
	Cents per pound		
Mustard Seed:			
Canadian Yellow No. 1	10	11	12
Pepper, black:			
Indonesian, Lampong	30	43	57
Pepper, white:			
Indonesian, Muntok	34	49	63
Capsicum peppers:			
Turkish	31	38	57
Paprika:			
Spanish[1]	32	45	73
Caraway seed:			
Dutch	19	27	52
Poppy seed:			
Dutch	23	31	37
Sesame seed:			
Unhulled	16	20	26

Source: *Foreign Agricultural Circular*, "Tropical Products," FTEA 1-72. Foreign Agricultural Service, U.S. Dept. of Agr., Wash., D.C., March 1972, p. 2.

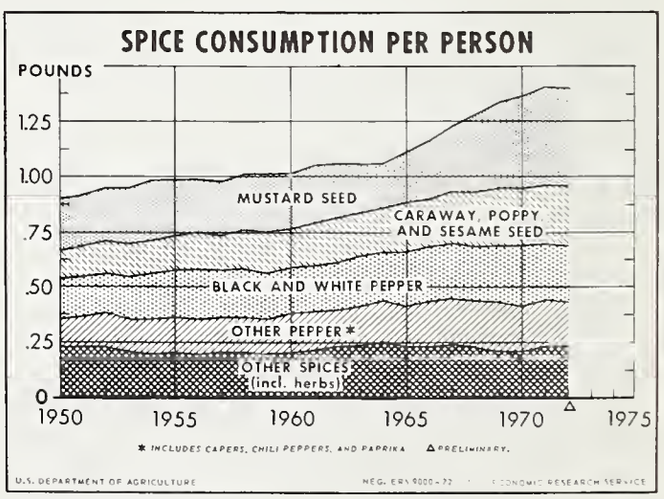

Figure 19

Perhaps more than any other spice, the rise in mustard seed consumption appears to be related to the rapid proliferation of fast-food service hamburger and other sandwich-type establishments. Also the rise in use of

mini-packets of mustard may mean more waste, particularly if the patron who gets a hamburger takes 4 or 5 mini-packets of mustard and uses only 1 or 2.

Rising demand for mustard explains only part of the increase in U.S. imports of mustard seed. The decline in U.S. production from nearly 20 million pounds in the early 1960's to about 5 million pounds in recent years also is important. Most of our imported mustard seed comes from Canada, where it is produced under contract with U.S. seed dealers, largely because of lack of interest by U.S. farmers (5-8). In recent years, mustard seed prices received by growers have been less than 5 cents per pound and the relatively low prices explains much of the decline in U.S. production.

While mustard seed is our number one spice import in quantity, mustard seed imports in 1971 ($4.4 million) were only fifth in value. Black and white pepper, $26.4 million, vanilla beans, $8.4 million, sesame seed, $7.8 million, and cassia, $5.8 million all ranked ahead of it.

Black and white pepper most important in value

Black and white pepper was our most important spice on a quantity basis until the mid-1960's and on a value basis still ranks number one. The dollar value of pepper imports is more than 3 times that of the next item, vanilla beans.

Black and white pepper are the dried berries of a tropical perennial vine, *Piper nigrum L.* Pepper berries have a dark colored hull and a light colored inside. Black pepper consists of the whole pepper berries picked before being fully ripe. White pepper consists of berries picked when fully ripe with the hulls later removed (decorticated) by steeping, with the peppercorns then washed and dried. White pepper is largely used where the pepper flavor is desired but not the dark specks of black pepper.

Pepper consumption overall increased from 37 million pounds in 1960 to 53 million pounds in 1971 (table 22). Both black and white pepper shared in the increase. During World War II imports of pepper ceased. And though overall black pepper consumption rebounded and now is substantially higher than in the 1930's, white pepper consumption has yet to reach that earlier level. The slower increase in total pepper consumption relative to mustard seed is shown by the small rise in per capita consumption from 0.21 pound in 1960 to 0.25 pound in 1972.

Most of our imported white pepper, and a substantial portion (from a third to a half) of our imported black pepper, comes from Indonesia. Other important suppliers are Brazil, India, and Malaysia.

Consumption of other pepper continues to grow

Other pepper includes paprika, capers, and capsicum, cayenne or red pepper. Capsicum, cayenne or red pepper is the dried fruit of the pungent varieties of the red pepper plant, genus *Capsicum*. *Capsicum* or chili peppers are prinicpally used in the dried and ground form as a seasoning for certain foods, such as chili beans and chili con carne.

Capers are unopened flower buds of the caper bush, a clinbing shrub which grows wild in countries bordering the Mediterrean Sea[2]. Capers are pickled in vinegar or brine, and are used as pickles, and also used as a garnish in certain type dishes.

Paprika is the dried ripe fruit of several sweet and mildly pungent varieties of the red pepper plant, *Capsicum annum*. Paprika is used in the ground form as a seasoning and coloring agent in prepared meats, catsup, and sauces, and as a garnish with meals. Homemakers mostly use the sweet paprika, while food manufacturers use both types (5-9), p. 185.

Per capita consumption of capsicum peppers, capers, and paprika has grown from 0.17 pound in 1960 to 0.20 pound in 1972 (table 23). Rising imports of both ground and unground capsicum peppers accounted for the increase as total domestic production of these peppers apparently stabilized in the 1960's. Domestic processors use both imported and domestically grown capsicum chili and paprika peppers for grinding into their respective products.

Mexico supplies most of our imports of ground capsicum peppers and the major share of the unground (from a third to a half). Other important suppliers are Japan, Turkey, and India. Spain and Morroco supply practically all of the capers imported by the United States. Spain also supplies from half to two-thirds of U.S. paprika imports. Bulgaria, Morroco, Yugoslavia, Hungary, and Mexico are other important suppliers.

Cassia and cinnamon consumption stable

Cassia is the dried aromatic bark, as well as the dried immature fruit (buds), of several tropical evergreen trees, primarily *Cinnamomum cassia, C. loureirii,* and *C. burmanni,* while cinnamon is the dried aromatic bark from shoots of *Cinnamomum zeylanicum* (5-2). Cassia is used virtually interchangeably with cinnamon for seasoning and flavoring and when sold at retail is virtually always labeled as cinnamon. Cinnamon's taste is more delicate than cassia's (4).

Per capita consumption of cassia and cinnamon declined fractionally from 0.07 pound in 1960 to 0.06 pound in 1972 (table 21). There was little change in total imports in the 1950's and in the 1960's. Historically, consumption of cassia was most important, but since 1967, the trend seems to be changing with cinnamon imports increasing and cassia imports declining.

Indonesia is the major supplier of cassia to the United States, and beginning in 1971, Mainland China has become an important source. South Vietnam was

[2] While capers are not a pepper in terms of use or flavor, they are more similar to peppers than to any other spice.

formerly a major cassia supplier. Three sources, Seychelles Islands, Malagasy Republic, and Ceylon supply most of our cinnamon imports; several other African and Asian countries supply the remainder.

Cassia prices, after enjoying high levels, have been trending downward in recent years, reflecting larger supply availabilities of cinnamon, and in 1971 the easing of the trade ban with Mainland China. Even so, both cassia and cinnamon prices typically are variable, essentially reflecting supply availabilities. However, if either cassia or cinnamon is in relatively short supply while its corresponding substitute is in adequate supply, any price rise for the one in short supply is dampened. Normally, cassia prices are generally higher than cinnamon prices.

Sesame seed consumption is growing

Sesame seed is especially adapted to warmer climates and can be grown in areas hot enough to grow cotton. Harvesting of sesame seed requires considerable hand labor because the seed ripens unevenly and the ripe pods tend to shatter and lose their seeds. Because of the lack of mechanical harvesting there is little if any production in the United States.

Caraway seed is the fruit of *Carum carvi*, a biennial plant of the parsley family. The black poppyseed imported into the United States comes from the black poppy plant grown in Southern and Central Europe

The Netherlands supplies the major share of caraway seed imports, Poland most of the remainder. The Netherlands, Turkey, Poland and Romania supply most of our poppyseed imports. Brazil, El Salvador, Ethiopia, Guatemala, Mexico, Nicaragua, Salvador, and Sudan supply virtually all of our sesame seed imports.

The major uses of caraway seed, poppyseed and sesame seeds are in the baking industry, in bread and rolls, and pastry products. While both poppyseed and sesame seed traditionally are considered oilseeds, there is believed to be little crushing of either seed in the United States though sesame seed was crushed for oil as late as the early 1950's (5).

Per capita consumption of caraway seed, poppyseed, and sesame seed increased from 0.18 pound in 1960 to 0.28 pound in 1972 (table 20). All of this growth has come from increasing imports of sesame seed which increased nearly three times from 1960 to 1971; there was very little change in imports of caraway seed and poppyseed.

Imports of other herbs continues to expand

Per capita consumption of other herbs (including celery seeds) increased from 0.04 pound in 1960 to 0.07 pound in 1972. Total consumption increased from 7 million to 14 million pounds during the same period. Imports of basil, mint leaves, parsley, rosemary, savory and tarragon were separately reported in U.S. import statistics for the first time beginning in August 1963, while imports of laurel (bay) leaves, marjoram and thyme were again separately reported in August 1963, reviving an earlier series. Celery seed imports increased from 2.5 million pounds in 1960 to 4.2 million pounds in 1971—a substantial increase. Moreover, imports of oregano (origanum) have increased from 2.3 million pounds in 1950 to over 4.0 million pounds in 1970-71. A major use of oregano is in flavoring pizza, and the rising volume of imports appears consistent with the rise of pizza consumption (2).

Consumption of other spices also growing

Consumption of other spices remained relatively stable during the 1960's near 20 million pounds (table 25). While total imports of other spices remained relatively unchanged, imports of cummin seed, fennel seed, ginger root, turmeric and vanilla beans increased in the 1960's. The remaining spices showed little growth, and imports of allspice (pimento) declined over that period. On a quantity basis, cloves, coriander seed, cummin seed, ginger root, nutmeg, and turmeric are the most important spices, within the "other spice" group.

Several spices merit further discussion. Allspice (pimento) is one of the few spices native to the Western Hemisphere. Its dried berries have a flavor resembling a blend of cinnamon (or cassia), nutmeg and cloves. Thus, its name—allspice.

Several spices are known by different though frequently similar names. For example, mace and nutmeg, are two different spices which come from the same plant.

Finally, while vanilla bean imports into the United States seldom exceed 2 million pounds annually they are our second leading import in value—$8.4 million, 1971. Competition from imitation vanilla (vanillin) may be the principal reason for the slow growth in imports.

See table 18 for a brief description, recent price range, typical uses, and major sources of our most popular spices and herbs. For additional information concerning spices see selected references.

Selected References

(1) Butler, Richard D. and Taylor, Leva C., Spice Supplies of the United States, 1918-50. A Supplement to: *The National Food Situation*, NFS-59. Bureau of Agr. Econ., U.S. Dept. Agr., Washington, D. C., January-March 1952, 14 pp.

(2) *Foreign Agricultural Circular*, Tropical Products, FTEA 1-72. Foreign Agricultural Service, U.S. Dept. Agr., Washington, D. C., March 1972, 24 pp.

(3) Hiemstra, Stephen J., *Food Consumption: Consumption, Prices, Expenditures*. Agr. Econ. Rpt. No. 138 and Supplement for 1971. Econ. Res. Ser., U.S. Dept. Agr., Washington, D. C., July 1968 and

[3] Note: Poppy seeds contain no opium (4).

Table 18.--Herbs and spices: Brief description, recent price range, typical uses, and major sources

Name of spice: Popular	Name of spice: Latin	Brief description	Recent price range 1/: Low	Recent price range 1/: Average	Recent price range 1/: High	Typical uses	Major sources
			Cents per pound				
Herbs:							
Celery seed	Apium graveolens	The dried fruit of a member of the parsley family.	21	61	225	Sauces, soups, pickles, pastries, salads, fish, eggs, etc.	India* and France
Laurel (bay) leaves	Laurus nobilis	The dried leaves of the sweet bay or laurel tree.	14	20	27	Meats, potatoes, stews, soups, sauces, fish, and pickling.	Turkey*
Marjoram	Majorana hortensis	The leaves of a member of the mint family.	37	65	88	Lima beans, peas, string beans, lamb, and mutton, and poultry stuffings.	France* and Lebanon
Origanum (Oregano)	Lippia spp.	The leaves of a perennial plant--Mexican oregano.	28	30	32	Chili powder. Italian and Mexican dishes; most widely known for flavoring pizza.	Mexico*
Rosemary	Rosmarinus officinalis	The dried leaves of a member of the mint family.	8	14	22	Soups, stews, lamb dishes and certain vegetable dishes.	Portugal*, France and Yugoslavia
Sage	Salvia officinalis	The dried leaves of a member of the mint family.	28	37	60	Industrially used to flavor meat; also used in salads, pickles and cheese.	Yugoslavia, Albania*, and Turkey
Thyme	Thymus vulgaris	The dried leaves of a member of the mint family.	10	19	26	Clam chowder, meat, fish sauces, croquettes, chipped beef and fricassees.	Spain* and France
Spices:							
Allspice (pimento)	Pimenta officinalis	The dried unripe berries of a tropical tree native to the Western Hemisphere.	78	96	136	Baked goods, ketchup, and other sauces, sausages, soups and pickling.	Jamaica* and Central America
Anise seed	Pimpinealla anisum	The fruit of a member of the parsley family.	28	36	51	Candy, pastry, liqueurs; frequently used with licorice.	Spain* and Turkey
Cloves	Eugenia caryophyllus	The dried flower buds of a tropical tree.	38	113	220	Meats (particularly ham), pickling, also baked goods and chocolate puddings.	Malagasy Republic* and Tanzania
Coriander seed	Coriandrum sativum	The dried ripe fruit of a member of the parsley family	11	15	17	Meats and sausages, bakery products and chocolate confectionery.	Morocco* and Romania
Cummin seed	Cuminum cyminum	The dried fruit of a member of the parsley family.	20	30	42	Prepared meats, pickles, cheese, sausages, curry powder, chili powder, soups and stews.	Iran* and India
Dill	Anethum graveolens	The foliage and seed of a member of the parsley family.	18	23	34	Dill pickles, soups, salads, sauces, processed meats, and shellfish.	India*
Fennel seed	Foeniculum vulgare	The dried fruit of a member of the parsley family.	26	33	48	Bakery products, sweet pickles, fish dishes, sauces, soups and confectionery.	India* and Bulgaria
Ginger root	Zingiber officinale	The roots or rhizomes of a tuberous perennial plant.	24	43	85	Gingerbread and similar baked goods, meats, pickles, puddings, soups and ginger ale.	Nigeria, Fiji Islands, India* and Jamaica
Mace	Myristica fragrans	The fleshy skin which covers the nutmeg (seed) of a tropical tree.	91	136	260	Pastries, fish sauces, meat stuffings, oyster stew, and chocolate dishes.	Indonesia*
Nutmeg	Myristica fragrans	The dried seeds of the fruit of a tropical tree.	50	82	150	Baked goods, puddings, vegetables, meats, sauces, puddings, and eggnog.	Indonesia*, Leeward and Windward Isl.
Turmeric	Curcuma longa	The dried rhizomes or roots of a member of the ginger family.	20	32	64	Pickles, relishes, prepared mustard and curry powder.	India* and Jamaica
Vanilla beans	Vanilla plantifolia	The cured full-grown unripe fruit (pod) creeping perennial of the orchid family.	520	553	570	To produce vanilla extract for vanilla flavor for ice cream, confectionery, soft drinks, etc.	Malagasy Republic* and Indonesia

1/ Approximate New York spot quotations as of early March, 1966-72, for product from exporting country indicated by (*) in last column.

Sources: Common and Latin Names, description and uses: Rosengarten, Frederic Jr., The Book of Spices, Livingston Pub. Co., 1969; Summaries of Trade and Tariff Information: Animal and Vegetable Productions, Wash., D.C., Vol. 5, Live Plants and Seeds, TC Pub. 282, 1969, Vol. 9, Sugar, Cocoa, Confectionery, Coffee, Tea, and Spices, T.C. Pub. 286, 1969, Vol. 14, Edible Preparations, Natural Resins, and Miscellaneous Articles of Vegetable Origin, TC Pub. 308, 1969. Recent prices and major sources: Foreign Agricultural Circular, "Tropical Products," FTEA 1-72. For. Agr. Ser., March 1972.

Table 19.--Mustard seed: Supply and utilization, selected years, 1920-72

Year	Supply					Changes in stocks 4/	Utilization			
	U.S. production 1/	Imports 2/			Total supply		Total use 4/	Exports 5/	Domestic disappearance	
		Unground	Ground 3/	Total					Total	Per capita
	1,000 pounds									Lb.
1920	3,283	9,064	1,566	10,630	13,913	-2,029	15,942	6/	15,942	0.15
1930	3,489	13,441	1,640	15,081	18,570	-145	18,715	6/	18,715	.15
1940	9,168	5,172	1,227	6,399	15,567	-15,863	31,430	6/	31,430	.24
1950	11,036	16,063	714	16,777	27,813	-7,941	35,754	876	34,878	.23
1960	18,876	28,413	910	29,323	48,199	1,562	46,637	1,423	45,214	.25
1965	6,830	30,492	1,184	31,676	38,506	-11,114	49,620	2,308	47,312	.24
1966	6,480	52,383	1,159	53,542	60,022	3,744	56,278	3,273	53,005	.27
1967	6,150	67,575	1,165	68,740	74,890	13,114	61,776	1,371	60,405	.30
1968	5,840	62,151	1,612	63,763	69,603	-3,000	72,603	1,857	70,746	.35
1969	5,550	63,134	1,254	64,388	69,938	-11,727	81,665	2,127	79,538	.39
1970 7/	5,246	83,763	1,559	85,322	90,568	2,427	88,141	2,665	85,476	.42
1971 7/	5,090	95,081	1,898	96,979	102,069	9,299	92,770	1,356	91,414	.44
1972 8/	4,940	94,740	1,900	96,640	101,580	6,430	95,150	1,350	93,800	.45

See footnotes at end of table 25

Table 20.--Caraway, poppy and sesame seed: Supply and utilization, selected years, 1920-72

Year	Supply (imports) 2/				Changes in stocks 4/	Utilization		
	Sesame seed	Caraway seed	Poppy seed	Total supply		Total use 4/	Domestic disappearance	
							Total	Per capita
	1,000 pounds							Lb.
1920	6/	1,888	2,741	4,629	-649	5,278	5,278	0.05
1930	9/ 8,166	5,734	6,160	20,060	480	19,580	19,580	.16
1940	9/ 7,898	3,477	6,066	17,441	888	16,553	16,553	.13
1950	9/ 6,646	6,857	8,197	21,700	2,085	19,615	19,615	.13
1960	17,378	6,598	7,220	31,196	-1,033	32,229	32,229	.18
1965	25,491	6,758	6,226	38,475	-3,392	41,867	41,867	.22
1966	28,202	7,151	6,853	42,206	-1,850	44,056	44,056	.22
1967	35,854	6,838	6,665	49,357	3,267	46,090	46,090	.23
1968	33,993	7,669	8,073	49,235	4	49,731	49,731	.25
1969	38,818	6,435	5,426	50,679	-1,927	52,606	52,606	.26
1970 7/	42,661	7,424	6,593	56,678	2,031	54,647	54,647	.27
1971 7/	45,442	6,099	5,042	56,583	895	55,688	55,688	.27
1972 8/	45,980	7,200	6,970	60,150	2,350	57,800	57,800	.28

See footnotes at end of table 25.

Table 21.--Cinnamon and cassia: Supply and utilization, selected years, 1920-72 10/

Year	Supply (imports) 2/			Changes in stocks 4/	Utilization					
	Cassia 11/	Cinnamon	Total supply		Total use 4/	Exports 5/			Domestic disappearance	
						Exports	Reexports	Total	Total	Per capita
	1,000 pounds									Lb.
1920	6,918	675	7,593	-1,285	8,878	6/	1,386	1,386	7,492	0.07
1930	9,470	915	10,385	785	9,600	6/	1,867	1,867	7,733	.06
1940	12,107	1,471	13,578	2,414	11,164	6/	2,043	2,043	9,121	.07
1950	13,600	781	14,381	4,050	10,331	57	912	969	9,362	.06
1960	11,155	570	11,725	-1,672	13,397	117	540	657	12,740	.07
1965	15,840	3,054	18,894	3,865	15,029	148	602	750	14,279	.07
1966	10,583	2,313	12,896	-1,846	14,742	123	519	642	14,100	.07
1967	8,523	4,353	12,876	-1,583	14,459	91	367	458	14,001	.07
1968	8,966	5,203	14,169	1,508	12,661	115	476	591	12,070	.06
1969	7,895	6,160	14,055	1,183	12,872	89	354	443	12,429	.06
1970 7/	4,801	3,985	8,786	-3,562	12,348	66	232	298	12,050	.06
1971 7/	9,610	4,862	14,472	1,826	12,646	85	336	421	12,225	.06
1972 8/	9,110	5,130	14,240	1,010	13,230	220	480	700	12,530	.06

See footnotes at end of table 25.

Table 22.--Black and white pepper: Supply and utilization, selected years, 1920-72

Year	Supply (imports) 2/			Changes in stocks 4/	Utilization				
	Unground		Total supply		Total use 4/	Exports 5/			Domestic disappearance
	Black 12/	White				Exports	Reexports	Total	Total / Per capita
	1,000 pounds								Lb.
1920	22,869	6/	22,869	-6,325	29,194	6/	3,512	3,512	25,682 / 0.24
1930	25,790	5,175	30,965	824	30,141	6/	1,210	1,210	28,931 / .24
1940	15,841	4,971	20,812	-19,084	39,896	6/	5,051	5,051	34,845 / .26
1950	32,423	733	33,156	4,539	28,617	25	645	670	27,947 / .18
1960	36,968	3,167	40,135	2,079	38,056	273	211	484	37,572 / .21
1965	44,119	3,600	47,719	942	46,777	561	308	869	45,908 / .24
1966	33,943	3,827	37,770	-10,495	48,265	428	210	638	47,627 / .24
1967	51,419	4,723	56,142	6,418	49,724	497	337	834	48,890 / .25
1968	48,853	4,239	53,092	3,188	49,904	545	390	935	48,969 / .24
1969	48,390	5,610	54,000	-281	54,281	623	373	996	53,285 / .26
1970 7/	42,679	5,639	48,318	-3,597	51,915	695	377	1,072	52,987 / .26
1971 7/	54,943	4,915	59,858	5,356	54,502	681	466	1,147	53,355 / .26
1972 8/	37,720	5,530	43,250	-10,030	53,280	770	510	1,280	52,000 / .25

See footnotes at end of table 25.

Table 23.--Other pepper: Supply and distribution, selected years, 1920-72

Year	Supply							Total supply	Changes in stocks 4/	Utilization			
	Production 13/	Imports 2/					Total imports			Total use 4/	Exports 5/	Domestic disappearance	
		Capers	Capsicum or cayenne 14/			Paprika						Total	Per capita
			Unground	Ground	Total								
	1,000 pounds												Lb.
1920	2,720	6/	2,950	2,423	5,373	15/	5,378	8,093	384	7,709	6/	7,709	0.07
1930	3,608	3,816	2,146	4	2,150	5,402	11,368	14,976	1,149	13,827	6/	13,827	.11
1940	4,240	84	2,222	3	2,225	4,728	7,037	11,277	-3,120	14,397	6/	14,397	.11
1950	7,700	193	5,416	217	5,633	7,052	12,878	20,578	559	20,019	203	19,816	.13
1960	11,340	2,081	5,670	15	5,685	8,110	15,876	27,216	-3,693	30,909	167	30,742	.17
1965	10,500	1,854	10,173	2,851	13,024	12,439	27,317	37,817	160	37,657	263	37,394	.19
1966	12,560	2,482	10,705	3,807	14,512	11,890	28,884	41,444	718	40,726	316	40,410	.21
1967	12,680	2,251	10,612	4,194	14,806	11,727	28,784	41,464	-291	41,755	289	41,466	.21
1968	16,320	2,230	10,758	4,305	15,063	12,862	30,155	46,475	3,163	43,312	251	43,061	.21
1969	14,280	2,393	10,261	3,153	13,414	11,429	27,236	41,516	-1,137	42,653	267	42,386	.21
1970 7/	16,780	2,305	10,516	3,494	14,010	12,665	28,980	45,760	4,018	41,742	231	41,511	.20
1971 7/	12,560	2,169	11,592	2,250	13,842	9,432	25,443	38,003	-4,686	42,689	249	42,440	.21
1972 8/	12,560	2,290	11,700	300	12,000	11,470	25,760	38,320	-4,000	42,320	320	42,000	.20

See footnotes at end of table 25

Table 24.--Herbs: Supply and utilization, selected years, 1920-72

Year	Supply (imports) 2/								Total supply	Changes in stocks 4/	Utilization		
	Celery seeds	Laurel (bay) leaves	Marjoram	Origanum	Rosemary	Sage	Thyme	Other herbs 16/			Total use 4/	Domestic disappearance	
												Total	Per capita
	1,000 pounds												Lb.
1920	594	0	0	6/	6/	2,275	6/	6/	2,869	796	2,073	2,073	0.02
1930	802	0	15	6/	6/	1,417	2	6/	2,236	-389	2,625	2,625	.02
1940	1,668	299	12	119	6/	886	6	6/	2,990	-812	3,802	3,802	.03
1950	1,533	299	0	1,203	6/	2,476	15	6/	5,526	1,023	4,503	4,503	.03
1960	2,677	273	0	1,907	6/	2,024	0	6/	6,881	130	6,751	6,751	.04
1965	3,521	440	867	1,806	339	2,360	1,067	328	10,728	616	10,112	10,112	.05
1966	2,725	535	1,482	2,529	352	1,481	785	422	10,311	-422	10,733	10,733	.05
1967	3,116	517	822	2,772	533	2,191	953	467	11,371	-42	11,413	11,413	.06
1968	3,790	662	871	3,279	832	2,687	618	374	13,113	983	12,130	12,130	.06
1969	2,966	703	357	3,141	486	2,582	872	437	11,544	-1,314	12,858	12,858	.06
1970 7/	4,018	556	610	4,774	424	2,336	904	689	14,311	1,042	13,269	13,269	.06
1971 7/	4,205	572	557	3,870	462	2,810	860	616	13,952	221	13,731	13,731	.07
1972 8/	3,120	780	420	3,880	670	2,770	990	900	13,530	-70	13,600	13,600	.07

See footnotes at end of table 25.

Table 25.--Other spices: Supply and utilization, selected years, 1920-72

Year	Supply (imports) 2/											
	All-spice (Pimento)	Anise seed	Cardamon seed	Cloves (including) stems	Coriander seed	Cummin seed	Curry & curry powder	Dill	Fennel seed	Ginger root	Mace	Nutmeg
	1,000 pounds											
1920	3,664	426	199	5,682	2,136	1,358	41	6/	238	7,107	534	4,075
1930	2,131	583	231	4,185	1,578	831	25	6/	245	3,916	699	3,817
1940	2,607	566	275	5,431	2,037	1,693	31	6/	538	2,890	1,216	6,403
1950	2,022	1,085	235	4,571	1,610	1,606	11	6/	446	3,752	792	6,430
1955	1,087	692	175	1,951	2,141	2,516	9	6/	379	2,474	622	5,194
1960	1,356	138	183	2,669	2,853	3,418	59	6/	578	3,086	605	3,670
1961	1,217	524	192	1,761	2,482	2,365	38	6/	413	3,666	444	3,931
1962	1,431	687	162	2,701	2,696	3,010	34	6/	464	5,381	565	4,527
1963	1,284	355	120	2,241	2,328	2,736	40	100	652	3,074	559	5,125
1964	1,130	432	183	2,311	3,686	3,744	33	470	594	3,949	649	3,505
1965	874	385	116	2,812	2,523	3,224	61	583	881	3,665	619	5,231
1966	1,926	266	208	2,098	3,465	3,452	23	677	765	5,223	529	4,180
1967	882	548	187	2,490	2,743	4,020	47	508	921	3,695	637	3,675
1968	1,022	369	118	3,919	3,553	3,952	60	711	974	3,592	503	4,106
1969	949	553	95	970	2,675	5,170	76	436	923	4,970	708	3,972
1970 7/	1,565	350	145	2,105	3,088	5,240	44	694	978	5,209	517	3,934
1971 7/	902	551	218	3,027	2,787	5,145	62	885	1,235	4,531	580	3,629
1972 8/	1,030	740	210	2,970	3,030	5,910	80	710	1,240	5,870	560	4,440

Year	Supply (imports) 2/ continued				Change in stocks 4/	Utilization					Domestic disappearance	
	Turmeric	Vanilla beans	Other spices	Total supply		Total use 4/	Exports 5/				Total	Per capita
							Exports	Re-exports	Shipments	Total		
	1,000 pounds											Lb.
1920	1,215	1,193	1,539	29,407	3,775	25,632	2,355	3,591	5/	5,946	19,686	0.18
1930	1,637	1,202	1,083	22,163	-2,805	24,968	3,068	3,043	413	6,524	18,444	.15
1940	1,705	1,310	2,375	29,077	-1,343	30,420	1,779	2,675	556	5,010	25,410	.19
1950	1,764	2,312	2,597	29,233	2,581	26,652	1,983	3,212	155	5,350	21,302	.14
1955	2,621	955	587	21,403	-874	22,277	2,425	1,941	360	4,726	17,551	.11
1960	2,299	1,048	545	22,507	-190	22,697	2,732	753	548	4,033	18,664	.10
1961	2,603	1,352	463	21,451	-1,957	23,408	2,523	490	628	3,641	19,767	.11
1962	3,101	1,579	706	27,052	3,687	23,365	2,126	365	625	3,116	20,249	.11
1963	2,672	1,065	489	22,840	-1,477	24,317	2,140	633	498	3,271	21,046	.11
1964	3,570	1,629	165	26,050	-670	26,720	2,825	881	890	4,596	22,124	.12
1965	3,252	2,158	20	26,404	1,581	24,823	2,726	542	676	3,944	20,879	.11
1966	3,794	1,852	67	28,525	1,956	26,569	3,918	798	608	5,324	21,245	.11
1967	1,925	1,283	46	23,607	-3,233	26,840	4,239	842	813	5,894	20,946	.11
1968	3,384	2,160	70	28,493	350	28,143	4,256	1,532	1,309	7,097	21,046	.11
1969	3,126	1,903	118	26,644	-457	27,101	4,017	1,403	1,263	6,683	20,418	.10
1970 7/	4,214	2,239	100	30,422	1,967	28,455	4,539	1,980	942	7,461	20,994	.10
1971 7/	3,137	1,875	203	28,767	-500	29,267	4,827	2,879	1,002	8,708	20,559	.10
1972 8/	3,350	1,990	280	32,410	2,590	28,820	4,990	2,680	650	8,320	21,500	.10

1/ Preceding year's crop; it is assumed most of each year's crop was consumed the following year. Excludes quantities used for seed. Data for 1920-63 from Stat. Rep. Ser. Data for 1965-72 estimated by ERS.

2/ Imports for consumption and inshipments from Territories.

3/ Includes ground and prepared mustard; imported weight assumed to approximate mustard seed content.

4/ Data on stocks not reported. A 5-year moving average of total supply minus exports, reexports, and shipments to Territories was used to simulate actual consumption. The annual net change in stocks is calculated as a residual of estimated consumption. Negatives indicate withdrawals from stocks; positives signify stock increases. Since nonfood use data are not available it is assumed all domestic use is for food.

5/ Exports (domestic merchandise), reexports (foreign merchandise), and shipments to territories. The following were estimated by ERS: Exports (including reexports) of mustard seed for 1950 and 1955; exports and reexports of cassia and cinnamon, and other pepper for 1960 and 1965-69; exports and reexports of black and white pepper for 1965-69; and exports and reexports of other spices for 1958-69.

6/ Data not available.

7/ Preliminary.

8/ Forecast for calendar year 1972.

9/ Does not include following amounts crushed for oil: 1930 - 47.5 mil. lb.; 1940 - 6.7 mil. lb.; 1950 - 14.0 mil. lb.

10/ Cinnamon and cassia are similar in flavor, and in the United States cassia is usually sold at retail as cinnamon.

11/ Includes cassia, cassia buds, and cassia vera.

12/ Includes small quantities of ground pepper, 1920-50 and since 1963.

13/ Consists of dried chili pepper (capsicum peppers), California only.

14/ Commonly called dried chili peppers.

15/ Included with capsicum.

16/ Other herbs beginning August 1963 include: Basil, mint leaves, parsley, savory, and tarragon.

Note: Data for any of the preceding tables for years 1918-64 may be obtained upon request.

August 1972; Tables 31 and 90.

(4) Rosengarten,Frederic, Jr., *The Book of Spices*. Livingston Pub. Co., distributed by Macrae Smith Company, Phil., Pa., 1969, 489 pp.

(5) Summaries of Trade and Tariff Information; Schedule I, Animal and Vegetable Products (In 14 Volumes); U.S. Tariff Comm., Washington, D. C.:
Volume 5, *Live Plants and Seeds,* TC Publication 282, Washington, D.C.
1969:
(5-1) "Celery Seed", pp. 149-54.
Volume 9, *Sugar, Cocoa, Confectionery, Coffee, Tea, and Spices,* TC Publication 286, 1969:
(5-2) "Spices, crude or processed, and certain spices, unground", pp. 133-48.
(5-3) "Certain herbs, crude", pp. 149-58.
(5-4) "Certain herbs, processed", pp. 159-64.
(5-5) "Capers", pp. 165-66.
(5-6) "Certain ground spices; mixed spices; and nonenumerated spices", pp. 167-72.
(5-7) "Mustard, ground or prepared", pp. 173-78.
(5-8) "Mustard seed", pp. 179-84.
(5-9) "Paprika", pp. 185-90.
(5-10) "Capsicum, cayenne, or red pepper, ground or unground", pp. 191-98. Volume 12, *Animal and Vegetable Fats and Oils*, TC Publication, 258, Washington, D.C., 1968:
(5-11) "Poppyseed and poppyseed oil", pp. 59-64.
(5-12) "Sesame seed and sesame seed oil", pp. 77-84.
Volume 14, *Edible Prepartions, Natural Resins, and Miscellaneous Articles of Vegetable Origin*, TC Publication 308, Washington, D.C., 1969:
(5-13) "Tonka beans", pp. 205-08.
(5-14) "Vanilla beans", pp. 209-12.

(6) *U.S. Fats and Oils Statistics, 1909-65*. Statis. Bull. No. 376, Econ. Res. Ser., U.S. Dept. Agr., Washington, D.C., August 1966, Table 72.

OUTLOOK CONFERENCE SCHEDULED FOR FEB. 20-22, 1973

The 1973 National Agricultural Outlook Conference has been set for Feb. 20 through 22, at the U.S. Department of Agriculture in Washington, D.C.

Central theme of the Conference will be "The Future Structure of Agricultural Production and Marketing." Such topics as the long-range expansion of demand for agricultural products, input requirements of the food industry, significant trends in organization and control of the food and fiber sector of the economy, impact of environmental developments on agricultural production and marketing, and future developments in the export market will be explored in depth.

The 1973 outlook for U.S. agriculture and the general economy will receive particular attention at the Conference. Sessions on the 1973 outlook for major commodities and rural family living will make up an important part of the Conference as usual. The Conference, sponsored by USDA's Economic Research Service and Extension Service, will feature presentations and panel discussions by leading authorities in agriculture and business.

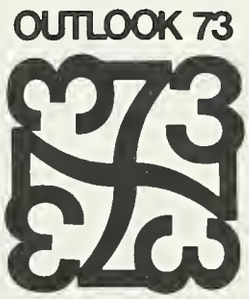

Table 26.--Wholesale food price indexes and Wholesale Price Index, selected periods 1/
(1967=100)

Year and month	Farm products			Processed foods and feeds													Industrial commodities 7/	All commodities
				Meats												All food 6/		
	Eggs	Fresh and dried fruits and vegetables 2/	Total 3/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 2/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 4/	Total 5/			
1960	122.4	99.0	97.2	95.1	86.6	91.8	116.2	81.4	86.1	92.8	88.7	88.1	90.1	92.8	89.5	92.1	95.3	94.9
1966	128.0	100.9	105.9	98.4	111.8	104.3	113.1	101.5	97.2	97.8	102.5	98.5	97.8	99.3	101.2	101.9	98.5	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	111.4	106.6	102.5	104.2	98.5	102.2	105.8	108.1	104.8	106.5	98.1	100.9	102.8	102.8	102.2	103.4	102.5	102.5
1969	133.9	109.3	108.8	112.9	110.8	113.3	113.6	118.6	108.2	107.9	101.5	102.6	109.4	106.0	107.3	109.6	106.0	106.5
1970	126.8	111.6	111.0	114.5	111.7	115.0	113.3	125.1	111.2	110.4	111.8	107.6	115.9	112.9	112.0	113.5	110.0	110.4
1971	100.8	120.1	112.9	124.1	99.5	114.1	112.4	137.0	115.4	114.3	121.1	111.4	119.2	115.8	114.3	115.5	114.0	113.9
January	113.3	115.7	108.9	113.3	92.6	105.9	110.1	130.0	112.8	111.2	119.4	111.0	118.6	115.0	111.8	112.4	112.2	111.8
February	97.6	118.3	113.9	122.2	102.4	113.6	112.7	132.6	112.3	111.5	119.4	111.1	118.3	115.2	113.3	114.2	112.5	112.8
March	101.2	125.3	113.0	122.1	92.4	110.9	111.8	130.9	113.0	111.9	119.4	111.5	119.2	115.3	113.7	115.0	112.8	113.0
April	104.4	120.8	113.0	124.4	91.0	111.5	110.7	132.3	115.5	113.0	119.4	111.5	118.6	115.6	113.5	114.7	113.3	113.3
May	92.4	127.5	114.0	128.0	96.3	115.1	112.0	132.4	116.2	114.0	118.5	111.5	119.2	115.7	114.5	116.0	113.7	113.8
June	98.0	136.1	116.0	124.4	97.7	114.1	118.7	137.1	116.1	115.4	118.5	111.5	119.0	115.7	114.9	117.0	113.9	114.3
July	89.4	109.3	113.4	122.9	106.1	116.0	129.7	138.9	116.2	115.9	122.8	111.5	119.4	115.9	116.0	115.8	114.5	114.6
August	110.1	115.9	113.2	124.5	102.6	115.5	113.7	141.7	115.4	116.2	124.6	111.4	120.5	116.1	115.4	116.6	115.1	114.9
September	107.8	103.6	110.5	125.9	101.1	115.5	114.7	138.4	115.4	115.7	123.3	111.3	119.8	116.0	114.6	115.1	115.0	114.5
October	92.4	115.8	110.3	123.4	105.4	115.7	107.2	138.4	116.4	115.3	122.8	111.3	118.7	116.4	114.1	115.3	115.0	114.4
November	88.5	127.1	112.2	126.1	101.1	115.6	106.0	142.2	116.3	115.4	122.8	111.5	119.1	116.6	114.4	116.3	114.9	114.5
December	114.4	126.3	115.8	131.4	105.4	119.6	101.8	149.2	117.4	115.8	122.0	111.6	120.2	116.4	115.9	118.1	115.3	115.4
1972																		
January	92.6	124.9	117.8	134.2	114.5	124.2	108.3	156.3	117.3	116.0	121.7	112.2	120.1	116.4	117.2	118.9	115.9	116.3
February	91.9	127.5	120.7	137.1	121.4	129.5	116.2	156.2	117.5	116.1	121.1	112.4	121.1	116.8	118.8	120.8	116.5	117.3
March	107.7	112.8	119.7	134.0	111.5	124.8	117.5	160.1	118.0	116.7	120.8	112.6	121.9	116.7	118.6	119.3	116.9	117.4
April	87.2	117.6	119.1	128.9	109.1	121.3	106.5	163.8	117.5	118.3	120.7	112.8	121.1	117.2	117.7	118.0	117.3	117.5
May	90.6	120.6	122.2	133.1	115.7	125.9	109.3	155.1	117.4	119.0	120.7	113.3	120.8	117.2	118.6	119.4	117.6	118.2
June	91.9	121.7	124.0	139.6	121.4	131.1	115.1	153.1	115.3	119.5	121.5	113.3	121.3	117.8	119.6	120.7	117.9	118.8
July	102.2	129.9	128.0	139.9	129.3	134.4	127.4	157.3	117.7	119.6	121.4	113.6	122.2	117.9	121.5	123.4	118.1	119.7
August	99.3	138.9	128.2	133.4	128.1	131.4	118.1	156.2	118.6	120.2	121.5	115.3	121.3	118.9	121.0	123.3	118.5	119.9
September	114.9	138.1	128.6	130.0	127.5	129.7	122.1	159.9	119.0	120.1	121.5	116.1	121.6	119.1	121.8	123.9	118.7	120.2
	Seasonally adjusted																	
1971																		
January	102.1	113.1	109.4	---	---	---	---	---	113.1	111.4	119.3	---	118.4	---	111.8	---	---	---
February	97.9	115.4	113.0	---	---	---	---	---	113.0	111.6	118.5	---	118.9	---	113.2	---	---	---
March	102.5	119.4	111.5	---	---	---	---	---	116.2	112.2	118.7	---	120.0	---	113.9	---	---	---
April	113.5	120.0	112.8	---	---	---	---	---	115.4	113.0	118.9	---	119.6	---	114.0	---	---	---
May	117.7	116.1	112.4	---	---	---	---	---	115.5	113.9	118.9	---	119.4	---	114.5	---	---	---
June	114.6	128.4	113.8	---	---	---	---	---	115.5	115.1	119.0	---	119.2	---	114.3	---	---	---
July	86.1	111.8	111.4	---	---	---	---	---	115.7	115.3	123.4	---	118.6	---	114.4	---	---	---
August	118.5	124.8	114.2	---	---	---	---	---	115.3	115.9	125.0	---	119.7	---	114.7	---	---	---
September	92.6	113.3	112.2	---	---	---	---	---	115.5	115.8	124.0	---	119.1	---	114.4	---	---	---
October	95.3	126.0	114.0	---	---	---	----	---	116.2	115.5	123.0	---	118.1	---	114.9	---	---	---
November	84.0	127.2	114.0	---	---	---	---	---	116.4	115.3	122.2	---	119.1	---	115.4	---	---	---
December	96.0	126.3	116.5	---	---	---	---	---	117.2	116.1	122.0	---	120.6	---	116.6	---	---	---
1972																		
January	83.4	122.1	118.4	---	---	---	---	---	117.7	116.2	121.6	---	119.9	---	117.2	---	---	---
February	92.2	124.4	119.7	---	---	---	---	---	118.2	116.2	120.1	---	121.7	---	118.7	---	---	---
March	109.1	107.5	118.2	---	---	---	---	---	119.2	117.1	120.1	---	122.8	---	118.8	---	---	---
April	94.8	116.8	118.9	---	---	---	---	---	117.4	118.3	120.2	---	122.1	---	118.2	---	---	---
May	115.4	109.8	120.5	---	---	---	---	---	116.7	118.9	119.6	---	121.0	---	118.6	---	---	---
June	107.5	114.8	121.7	---	---	---	---	---	114.7	119.1	122.0	---	121.5	---	119.0	---	---	---
July	98.5	132.8	125.7	---	---	---	---	---	117.2	119.0	122.0	---	121.4	---	119.8	---	---	---
August	106.9	149.5	129.4	---	---	---	---	---	118.5	119.8	121.9	---	120.5	---	120.3	---	---	---
September	98.7	151.1	130.6	---	---	---	---	---	119.1	120.2	122.2	---	120.9	---	121.6	---	---	---

1/ For earlier annual data (1957-59 reference base), see Food Consumption, Prices and Expenditures, Agricultural Economic Report No. 138, table 106. 2/ Includes potatoes. 3/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 4/ Includes alcoholic beverages. 5/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 6/ All food includes all processed foods (omitting soft drinks, alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 7/ Prior to 1967, includes manufactured animal feeds, soft drinks, and alcoholic beverages.

Bureau of Labor Statistics.

Table 27.--Retail food price indexes and Consumer Price Index, selected periods 1/
(1967=100)

Year and month	Food at home																		
	Meats								Fruits and vegetables									Consumer Price Index, less food	Consumer Price Index
	Beef and veal	Pork	Total 2/	Poultry	Fish	Eggs	Dairy products 3/	Fats and oils 4/	Fresh	Processed	Total	Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food		
1960	92.1	81.7	87.2	106.9	85.0	113.2	88.4	86.5	84.6	92.9	88.3	87.1	90.1	91.5	89.6	81.4	88.0	88.8	88.7
1966	99.4	109.0	102.6	106.7	96.7	119.6	95.8	99.7	99.7	100.6	100.1	97.7	97.0	100.9	100.3	95.1	99.1	96.7	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.1	100.2	102.3	103.1	101.6	107.8	103.3	97.7	109.4	105.6	107.9	100.4	103.4	101.9	103.2	105.2	103.6	104.4	104.2
1969	114.5	109.1	111.4	109.0	107.2	126.8	106.7	97.7	111.1	106.5	109.3	103.3	109.1	104.6	108.2	111.6	108.9	110.1	109.8
1970	119.5	115.9	117.6	108.4	118.0	125.6	111.8	104.7	116.3	109.2	113.4	108.9	115.1	117.4	113.7	119.9	114.9	116.7	116.3
1971	124.9	105.0	116.7	109.0	130.2	108.4	115.3	114.4	121.0	116.2	119.1	113.9	119.3	121.6	116.4	126.1	118.4	122.1	121.3
January	118.5	103.6	112.9	106.3	125.4	124.0	113.9	111.3	107.4	112.8	109.6	112.4	117.8	121.9	113.4	123.4	115.5	120.3	119.2
February	120.0	103.2	113.5	105.5	127.0	112.7	114.0	112.1	112.2	113.0	112.6	112.8	117.9	122.1	113.9	123.9	115.9	120.4	119.4
March	122.4	106.0	115.6	107.8	127.7	110.9	114.2	112.4	117.7	113.5	116.0	113.0	118.1	121.8	115.1	124.3	117.0	120.6	119.8
April	124.2	103.6	115.7	107.3	128.6	109.7	114.6	113.6	123.6	114.7	120.0	113.9	118.7	122.0	116.1	124.8	117.8	120.9	120.2
May	124.6	102.2	115.6	107.8	129.4	106.1	115.1	113.9	125.6	115.1	121.4	114.1	119.0	121.8	116.3	125.3	118.2	121.6	120.8
June	126.1	103.6	117.0	111.6	130.3	99.1	115.7	113.8	131.2	115.9	125.1	114.2	119.4	122.2	117.4	125.9	119.2	122.2	121.5
July	126.6	104.7	117.6	112.1	131.0	105.2	116.0	114.0	132.2	116.9	126.0	114.8	119.7	122.0	118.1	126.5	119.8	122.4	121.8
August	126.8	106.9	118.4	112.1	131.9	109.7	116.0	115.2	127.4	117.9	123.6	114.5	120.3	122.0	118.1	127.1	120.0	122.7	122.1
September	127.7	106.4	118.8	112.2	132.5	102.4	116.1	116.6	115.3	118.6	116.6	114.6	120.2	121.0	116.9	127.6	119.1	123.1	122.2
October	127.1	105.8	118.3	110.0	132.8	106.7	116.0	116.7	113.6	118.4	115.6	114.3	120.1	121.2	116.6	128.0	118.9	123.5	122.4
November	126.6	106.3	118.2	108.1	132.9	103.2	115.9	116.7	117.3	118.5	117.8	114.1	120.0	120.9	116.7	128.2	119.0	123.7	122.6
December	128.0	107.2	119.1	107.5	133.2	110.5	116.1	116.4	128.2	118.8	124.4	113.8	120.1	120.5	118.2	128.3	120.3	123.9	123.1
1972																			
January	130.8	109.2	121.1	108.4	134.7	108.0	116.4	116.6	122.1	119.2	120.9	113.7	120.1	120.4	118.2	128.6	120.3	124.0	123.2
February	136.1	119.4	127.5	110.7	137.0	101.4	116.9	117.2	126.8	119.5	123.9	114.3	120.5	120.7	120.5	128.9	122.2	124.2	123.8
March	137.1	118.2	127.9	111.6	138.3	107.5	117.3	117.4	122.3	119.9	121.4	114.8	121.2	120.9	120.6	129.4	122.4	124.5	124.0
April	135.9	116.7	126.9	109.4	139.8	102.9	117.4	117.1	123.2	120.3	122.1	115.0	121.4	120.9	120.4	130.0	122.4	124.9	124.3
May	134.1	115.4	125.6	108.4	140.2	101.7	117.3	116.4	126.7	119.8	123.9	114.7	121.4	121.0	120.2	130.4	122.3	125.4	124.7
June	135.8	118.0	127.5	108.9	141.3	94.2	117.0	116.2	132.2	119.9	127.2	114.5	120.6	120.5	120.9	130.9	123.0	125.7	125.0
July	139.4	124.0	131.3	111.8	142.0	101.9	116.8	115.3	134.1	120.0	128.4	114.4	120.4	120.3	122.4	131.3	124.2	125.9	125.5
August	140.2	125.4	132.5	110.6	142.8	105.0	116.6	115.3	133.4	120.2	128.1	114.4	120.5	120.6	122.7	131.9	124.6	126.1	125.7
September	138.3	127.1	132.3	112.6	144.4	114.0	116.9	115.3	128.9	121.0	125.7	114.6	120.7	121.7	122.8	132.5	124.8	126.7	126.2
	Seasonally adjusted																		
1971																			
January	119.3	105.2	113.9	107.6	125.1	112.1	113.8	---	108.8	112.6	110.6	112.4	117.9	122.0	113.6	123.4	115.6	120.4	119.3
February	121.1	104.2	114.4	106.5	126.5	105.7	114.1	---	114.4	113.0	113.9	112.8	118.3	122.2	114.2	124.0	116.2	120.6	119.6
March	122.8	106.6	115.9	107.7	127.6	111.0	114.4	---	117.6	113.7	116.0	113.0	118.3	121.9	115.3	124.5	117.2	120.7	119.9
April	124.3	104.8	115.9	107.1	128.5	110.0	115.1	---	120.9	114.7	118.5	113.8	118.8	121.9	116.2	124.9	117.9	120.9	120.2
May	124.0	103.8	115.7	108.5	129.1	118.0	115.2	---	120.3	115.2	118.3	114.2	119.0	121.8	116.3	125.4	118.3	121.6	120.8
June	125.3	103.8	116.8	110.4	130.2	114.8	115.6	---	123.5	116.1	120.6	114.3	119.3	121.8	116.9	126.0	118.8	122.1	121.3
July	125.3	102.9	116.6	109.8	131.1	115.9	115.9	---	123.8	117.0	121.0	114.7	119.7	121.9	117.2	126.5	119.0	122.4	121.6
August	125.2	103.8	116.5	110.1	132.0	109.7	115.9	---	124.2	118.0	121.7	114.4	120.2	121.8	117.3	127.0	119.3	122.8	122.0
September	126.3	103.7	117.3	110.0	132.8	98.6	116.0	---	120.1	118.4	119.5	114.5	120.0	121.2	116.8	127.5	119.0	123.1	122.2
October	127.0	104.5	117.8	110.6	133.1	102.3	115.9	---	121.5	118.4	120.4	114.2	120.0	121.2	116.6	127.7	118.9	123.3	122.4
November	127.7	107.3	119.0	110.1	133.3	103.7	115.8	---	123.7	118.5	121.7	114.2	120.1	120.9	117.9	127.9	119.8	123.5	122.6
December	130.1	108.9	120.7	110.1	133.3	101.9	116.0	---	132.4	118.6	126.6	114.0	120.1	120.7	118.7	128.3	120.5	123.8	123.0
1972																			
January	131.7	110.9	122.2	109.7	134.4	97.6	116.3	---	123.7	119.0	122.0	113.7	120.2	120.5	118.4	128.6	120.4	124.1	123.3
February	137.3	120.6	128.5	111.7	136.5	95.1	117.0	---	129.3	119.5	125.3	114.3	120.9	120.8	120.9	129.0	122.6	124.4	124.0
March	137.5	118.9	128.3	111.5	138.2	107.6	117.5	---	122.2	120.1	121.4	114.8	121.4	121.0	120.8	129.7	122.6	124.6	124.1
April	136.0	118.0	127.2	109.2	139.7	103.2	117.9	---	120.5	120.3	120.5	114.9	121.5	120.8	120.5	130.1	122.5	124.9	124.3
May	133.4	117.2	125.7	109.1	139.9	113.1	117.4	---	121.4	119.9	120.8	114.8	121.4	121.0	120.2	130.5	122.4	125.4	124.7
June	135.0	118.2	127.2	107.7	141.2	109.2	116.9	---	124.5	120.1	122.7	114.6	120.5	120.1	120.4	131.0	122.6	125.6	124.8
July	138.0	121.9	130.1	109.5	142.1	112.2	116.7	---	125.6	120.1	123.3	114.3	120.4	120.2	121.4	131.3	123.3	125.9	125.3
August	138.4	121.7	130.4	108.6	142.9	105.0	116.5	---	130.0	120.3	126.1	114.3	120.4	120.4	121.8	131.8	123.9	126.2	125.6
September	136.8	123.9	130.6	110.4	144.7	109.7	116.8	---	134.3	120.8	128.8	114.5	120.5	121.9	122.7	132.4	124.7	126.7	126.2

1/ For earlier annual data (1957-59 reference base), see Food Consumption, Prices, and Expenditures, Agricultural Economic Report No. 138, July 1968. 2/ Beef, veal, lamb and mutton, pork, and processed meat. 3/ Includes butter. 4/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. Bureau of Labor Statistics.

LIST OF TABLES

Table		Page
1	Consumer, wholesale, and farm price indexes, 1971-72	5
2	Expenditures for food in relation to disposable income, 1960 and 1965-72	8
3	Federal cost of USDA food programs, 1969-72	9
4	Per capita food consumption, index, 1960-72	11
5	Livestock products: Per capita consumption indexes, quarterly, 1969-72	13
6	Civilian consumption of major food commodities, selected years	14
7	U.S. sweeteners and beverages: Selected prices, 1971 and 1972	18
8	Livestock, crop, and total farm food commodities: Supply-utilization indexes, 1967-72	22
9	Production of food crops, 1970-72	23
10	Nutrients available for civilian consumption, per capita per day, selected periods	26
11	Contribution of major food groups to nutrient supplies available for civilian consumption, 1957-59 average and 1972	27
12	Use of vitamins and minerals in flour, bread, other bakery products, and other cereal products, 1966-70	30
13	Use of vitamins and minerals in preparing mixtures for cereals, macaroni, rice, and cornmeal and hominy grits, 1966-70	31
14	Use of selected vitamins, 1966-70	32
15	Distribution of iron from specified iron compounds added to grain products, 1970	32
16	Spices and herbs: Per capita consumption, selected years	35
17	Spices: Approximate New York spot quotations as of early March 1966-72	36
18	Herbs and spices: Brief description, recent price range, typical uses and major sources	39
19	Mustard seed: Supply and utilization, selected years	40
20	Caraway, poppy and sesame seed: Supply and utilization, selected years	40
21	Cinnamon and cassia: Supply and utilization, selected years	40
22	Black and white pepper: Supply and utilization, selected years	41
23	Other pepper: Supply and distribution, selected years	41
24	Herbs: Supply and utilization, selected years	41
25	Other spices: Supply and utilization, selected years	42
26	Wholesale food price indexes and Wholesale Price Index, selected periods	44
27	Retail food price indexes and Consumer Price Index, selected periods	45

CHARTS

Figure		Page
1	Consumer prices: Food, services, Consumer Price Index	2
2	Food prices	2
3	Retail food prices	2
4	Retail food price seasonality	2
5	Population and food consumption	2
6	Per capita food consumption	2
7	Food expenditures-income trends	7
8	Federal food programs	10
9	Per capita consumption of selected livestock products	10
10	Per capita consumption of selected crop products	10
11	Per capita consumption: Meat and total livestock products	12
12	Consumption of sweeteners: Shares by type	19
13	Coffee price trends	20
14	Sources of U.S. foods	21
15	Uses of U.S. food products	24
16	Food energy, protein, fat, carbohydrate	25
17	B-vitamins and iron	28
18	Thiamin	28
19	Spice consumption per person	36

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